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ABSTRACT OF THE PROCEEDINGS

OF THE

Council of the Governor General of India,

ASSEMBLED FOR THE PURPOSE OF MAKING

LAWS AND REGULATIONS.

1880.

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Abstract of the Proceedings of the Council of the Governor General of India, assembled for the purpose of making Laws and Regulations under the provisions of the Act of Parliament 24 *&* 25 *Vic., cap.* 67.

The Council met at Government House on Friday, the 9th January, 1880.

PRESENT:

His Excellency the Viceroy and Governor General of India, G.M.S.I., *presiding.*
His Honour the Lieutenant-Governor of Bengal, K.C.S.I.
His Excellency the Commander-in-Chief, G.C.B., G.C.S.I., C.I.E.
The Hon'ble Sir A. J. Arbuthnot, K.C.S.I., C.I.E.
Colonel the Hon'ble Sir Andrew Clarke, R.E., K.C.M.G., C.B., C.I.E.
The Hon'ble Sir J. Strachey, G.C.S.I., C.I.E.
General the Hon'ble Sir E. B. Johnson, R.A., K.C.B., C.I.E.
The Hon'ble Whitley Stokes, C.S.I., C.I.E.
The Hon'ble Rivers Thompson, C.S.I.
The Hon'ble Sayyad Ahmad Khan Bahádur, C.S.I.
The Hon'ble T. C. Hope, C.S.I.
The Hon'ble B. W. Colvin.
The Hon'ble Mahárájá Jotíndra Mohan Tagore, C.S.I.
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The Hon'ble C. Grant.
The Hon'ble E. C. Morgan.

RELIGIOUS CONGREGATIONS BILL.

The Hon'ble MR. STOKES moved that the Reports of the Select Committee on the Bill to provide for the holding of property by certain Religious Congregations be taken into consideration. He reminded the Council that this Bill had originated in the complaint made, as far back as 1873, by certain members of the Simla Union Church, that they laboured under a hardship in being unable, without constantly recurring trouble and expense, to keep up a permanent and effective body of trustees to whom to commit the property of the church. The Secretary to the Calcutta Missionary Conference, about the same time, made a similar representation; and there were, as afterwards appeared, other bodies associated for religious purposes in India who experienced like difficulties.

A Bill was accordingly framed on the model of the Statute known as Peto's Act, 12 & 13 Vic., c. 28. It merely provided that when property of

certain descriptions was conveyed on trust for any religious congregation, and no special provision was made for the appointment of new trustees, new trustees might be appointed in such manner as the congregation might determine; and that, on the appointment of new trustees, whether in exercise of the powers thus conferred or otherwise, the property should vest in them without any further conveyance. Persons professing Hindúism, Muhammadanism or Buddhism were excepted from the provisions of the Bill, as it was thought undesirable to interfere with the laws regulating their endowments.

Since the publication of the Bill several communications had been received from the Local Governments and many of the religious bodies to which the Bill applied, all of which had been carefully considered by the Select Committee to which the Bill had been referred. The Committee had got rid of the ambiguous term "congregation". They had rendered the Bill applicable to immoveable property held for whatever purpose, as well as to moveable property. They had provided for deciding cases of dispute as to what constituted membership of the bodies to which the Bill applied, and for the dissolution of those bodies, and the distribution of their property on being dissolved. These amendments had been mentioned to the Council when the preliminary Report was presented last September, and the present Report stated two further amendments—that words had been inserted in section 3 requiring the memorandum of appointment of trustees to be registered, and that a section had been added declaring that, where there was an instrument containing provisions for the dissolution of a religious body or the distribution of its property on such dissolution, those provisions should not be over-ridden by the Bill.

With these remarks he might ask His Excellency the President to put the motion; but, first, he thought it necessary to notice a criticism received from the Local Government which styled itself, somewhat inaccurately, "His Grace the Governor in Council." He would quote the criticism verbatim:—

"2. His Grace the Governor in Council much doubts the expediency of creating these perpetual trusts. He observes that they must be for 'a religious purpose;' but what is 'a religious purpose?' Would Mormonism be included? Further, he fails to see with what reason Native Christians are to be shut out. Referring to the last sentence of clause 1, it appears that in 'Hindus,' converts to Christianity from a particular religion, followed by the majority of the people of India, would be included."

MR. STOKES ventured to say that he had seldom, if ever, read any statement regarding a short and simple Bill, which betrayed so many misconceptions. First, His Grace "much doubts the expediency of creating these perpetual trusts." But the Bill did not create any trust whatever,

either perpetual or temporary. It assumed that a trust had been created, and made provision, in certain cases, for the appointment of new trustees and the vesting of the trust-property. Secondly, His Grace observed that these imaginary trusts must be "for a religious purpose." But the words quoted did not appear in the Bill in any one of its stages. The question "what is a religious purpose?" did not therefore arise. The question whether the Bill would apply to Mormon-societies might, MR. STOKES thought, be left unanswered as not very likely to arise in India. When, if ever, it did so arise, our Courts would probably look at the case of *Hyde* v. *Hyde*, L. R. 1 P. & D. 130, as to the non-recognition of a Mormon marriage.

Again, His Grace the Governor in Council failed to see with what reason Native Christians were shut out. The answer was that they were not shut out. If Hon'ble Members would look at section 1, they would see that the Bill applied to every person in British India except "Hindús, Muhammadans or Buddhists," and persons whom the Governor General in Council might exclude from the operation of the proposed Act. His Grace obviously supposed that "Hindú" was necessarily an ethnic term, and consequently included Native Christians. But, from its connection with "Muhammadans" and "Buddhists," it was clear that the expression "Hindús" was here in the Bill (as it was in the Succession Act, section 331) used strictly as a theological term, and that the exception could not, therefore, apply to converts from Hindúism to Christianity.

MR. STOKES had only further to observe that the Bill would supply an admitted want, and that it had been received with considerable favour by the representatives of many different denominations of Christians in the country,—the Protestant Bishops of Lahore and Rangoon, the learned and excellent Bishop Caldwell, the Roman Catholic Bishop of Bombay, and others,—whose remarks Hon'ble Members would find in the papers laid before them.

The Hon'ble MR. HOPE said there was one question regarding which he should be glad to receive an explanation, which he had no doubt the Hon'ble Mover of the Bill would be able satisfactorily to give, but on which he did not find an answer appearing clearly on the face of the Bill, although it might be latent under certain provisions which he had not fully grasped. A large number of those whose opinion was asked in regard to the Bill had urged the necessity of providing some sort of definition of what a "member" of a religious body was. This matter had been noticed by the Calcutta Missionary Conference, the Judicial Commissioner of the Central Provinces, the Madras Government, the Chief Commissioner of Mysore, the Wesleyan Mission in Mysore,

the Legal Remembrancers for Bengal and Bombay, the Archdeacon of Calcutta, the Bishops of Calcutta and Rangoon, and the Judicial Commissioner of Oudh. Some of these authorities had suggested a solution of one kind; others of another; and there could be no doubt that the drawing up of a precise definition of what should constitute church-membership was a matter of extreme delicacy, difficulty and doubt. It was provided in section 9 that when any question arose, either in connection with the matters thereinbefore referred to or otherwise, as to whether any person was a member of any such body as aforesaid, any person interested in such question might apply by petition to the High Court for its opinion on such question, and that opinion would have the force of a decree. MR. HOPE would be glad to know whether, if there was a provision in the trust-deed stating what membership should mean, that provision would stand absolutely good in all voting in respect of the matters provided for in sections 2, 6 and 7 of the Bill. He was inclined to think it would.

The Hon'ble MR. STOKES replied that he thought it would; and he was sorry he had not brought with him a case (*Forbes* v. *Eden*, L. R. 1 Scotch Appeals 580) which he was looking at only half-an-hour previously in the Legislative Council House, and in which Lord Cranworth laid down that the Court was bound to take cognizance of the provisions of any instrument upon which a voluntary religious association was organised, for the purpose of satisfying itself as to who was entitled, as a member, to the funds.

The Hon'ble MR. HOPE said he was quite satisfied on that point. He would wish further to know the meaning of the words "or otherwise" in section 9 which he had before quoted. Did they mean *any* question in connection with disputes in the body?

The Hon'ble MR. STOKES explained that the words "or otherwise" referred to things *ejusdem generis* with any of those previously mentioned, such as the appointment of a new trustee, the dissolution of the association, and the like. It would not authorize the Court to decide questions as to the exact nature of the religious teaching to be afforded by the body.

The Hon'ble MR. HOPE expressed himself satisfied upon this point also. He was much obliged for the explanations, which he had thought it best to elicit, in view of the importance of the two points in question.

The Motion was put and agreed to.

The Hon'ble MR. STOKES also moved that the Bill as amended be passed.

The Motion was put and agreed to.

BOMBAY CIVIL COURTS ACT, 1869, AMENDMENT BILL.

The Hon'ble MR. STOKES also moved for leave to introduce a Bill to amend the Bombay Civil Courts Act, 1869. He said that the Government of Bombay had lately represented that the repeal of section 30 of the Bombay Civil Courts Act, XIV of 1869, by the Repealing Act, 1876, had deprived that Government of a power it formerly possessed under that section, of from time to time altering the limits of the local jurisdiction of the Subordinate Judges. The section in question ran as follows :—

First Subordinate Judges of first class.

"30. The present Principal Sadr Amíns shall be the first Subordinate Judges of the first class, and (subject to any alteration of the limits of their ordinary local jurisdiction which may from time to time be made by the Governor of Bombay in Council) shall severally exercise the jurisdiction of Subordinate Judges of the first class under this Act, within the local limits within which, immediately before the passing of this Act, they respectively exercised the jurisdiction of Principal Sadr Amíns.

First Subordinate Judges of second class.

"The present Sadr Amíns and Munsifs shall be the first Subordinate Judges of the second class, and (subject to any alteration of the limits of their local jurisdiction which may from time to time be made by the Governor of Bombay in Council) shall severally exercise the jurisdiction of Subordinate Judges of the second class under this Act, within the local limits within which, immediately before the passing of this Act, they respectively exercised the jurisdiction of Munsifs."

Now, it seemed to the Government of India that this section rather assumed the existence of such a power than conferred it; but, as it was quite clear that the Local Government should possess such a power, the present Bill had been prepared to confer it. It would merely add to the Bombay Civil Courts Act, 1869, a section conferring power on the Governor of Bombay in Council to fix and alter the local limits of the ordinary jurisdiction of the Subordinate Judges, and would validate such orders as might have already been issued fixing or altering such limits.

The Motion was put and agreed to.

BURMA SURVEY BILL.

The Hon'ble MR. RIVERS THOMPSON introduced the Bill to provide for the demarcation and survey of land in British Burma, for the introduction of which leave had been given at Simla. The main objects of the Bill, he said, were in connection with the Cadastral-survey, which had been already commenced in that Province as a preliminary to the proper assessment and settlement of the land,—a measure of great importance as affecting the general interests of the province, and calculated to enhance its public revenues. He should mention

that, as prepared by the Chief Commissioner, the Bill was intended, as a General-survey Act, to meet the necessities of the frequent surveys which were undertaken in connection with the alignment of new roads, the construction of railways, of canals and embankments, or other similar projects. But on full consideration it was decided by the Government of India that in legislating upon this subject it was desirable to restrict the character of the Bill to a Revenue-survey Bill, as objections existed to giving it any wider application. He need not detain the Council by detailing the reasons which influenced that decision. It would be sufficient to say that, in a new and somewhat delicate and difficult duty connected with scientific surveys of land in Burma, and in a work which was likely to extend over very many years and to be carried out by officers who had no experience in the conduct of accurate and detailed measurements of land, it was thought better to keep the Bill as simply a Revenue-survey Bill, having sole reference to the preliminary and professional work to be undertaken for the purpose of the proper adjustment of the land-revenue. It seemed to the Government of India also, with regard to the other objects which the Chief Commissioner had in view, that the Land-acquisition Act of 1870, which contained ample provisions for the acquisition of land for public purposes, secured all that was necessary in these respects. The Bill, therefore, which he (MR. RIVERS THOMPSON) now proposed to submit to the Council was one which dealt only with questions connected with the Revenue-survey. Of course, experience had been gained in the numerous surveys and settlements which had been made in the older and more advanced provinces of India as regards such legislation; and the present Bill had at least the recommendation of being concise and simple in its provisions, capable of effecting—what was very essential—a cheap survey, and, he hoped, of securing the objects which it was desired to secure.

The Bill provided, after notification by the Chief Commissioner, for the entry upon land for the purposes of demarcation and for the subsequent professional survey. It proposed to confer powers for laying down boundaries, for erecting boundary-marks, for effecting clearances and removing obstructions in performing that work, and for giving compensation to any who had suffered loss from the clearances made. The first few sections of the Bill related to the appointment and functions of Demarcation-officers. On the completion of a demarcation, the Demarcation-officer was required to submit to an officer, to be called the Boundary-officer, a report of all his proceedings, with the maps which he had prepared. The Boundary-officer would be one who was qualified to exercise regular judicial functions; and it would be his duty, as a Court of first instance, to hear and decide all cases of dispute which

may have arisen regarding boundaries and all objections taken regarding the demarcation-proceedings. It was intended that there should be an appeal from the decision of the Boundary-officer to the Commissioner of the division, and in certain cases, where there might be intricacy or interference with private rights, there would be a final appeal to the Judicial Commissioner. Ample provision had thus been made for securing the protection of all individual rights. When an order determining a boundary became final, permanent boundary-marks would be laid down, and the Cadastral-survey Department would enter upon the field. As these Survey-officers, to perform their duties properly, would need similar powers to those which were exercised by the officers who conducted the preliminary operations, it was proposed, by section 28 of the Bill, to invest with those powers any officer appointed by the Local Government for such surveys. The only other point which required notice was that the 32nd section of the Bill gave the Chief Commissioner power to make rules for the collection and record of all information connected with survey-proceedings, such as it was usually the practice to collect in such cases.

In the ordinary course he (MR. RIVERS THOMPSON) would have concluded his remarks with a motion to refer the Bill to a Select Committee. But the fact was that the draft of the Bill which was now laid upon the table was only prepared last night, and it had therefore not been sufficiently long in the hands of the Members to enable them to consider and criticise its provisions. Under the circumstances, with his Excellency the President's permission, he would propose to defer the motion to refer the Bill to a Select Committee to the next meeting of the Council, when, if any Hon'ble Member required any explanations regarding the measure, he would be glad to give them.

BURMA DISTRICT CESSES AND RURAL POLICE BILL.

The Hon'ble MR. RIVERS THOMPSON also presented the Report of the Select Committee on the Bill to amend the law relating to District Cesses and Rural Police in British Burma.

FACTORIES BILL.

The Hon'ble MR. COLVIN moved that the Hon'ble Mr. Morgan be added to the Select Committee on the Bill to regulate labour in Factories.

The Motion was put and agreed to.

The Council adjourned to Friday, the 23rd January, 1880.

D. FITZPATRICK,
Secretary to the Government of India,
Legislative Department.

CALCUTTA;
The 9th January, 1880.

Government Central Press—No. 360 L. D.—16-1-80.—230.

Abstract of the Proceedings of the Council of the Governor General of India, assembled for the purpose of making Laws and Regulations under the provisions of the Act of Parliament 24 & 25 Vic., cap. 67.

The Council met at Government House on Friday, the 23rd January, 1880.

PRESENT:

His Excellency the Viceroy and Governor General of India, G.M.S.I., *presiding.*

His Honour the Lieutenant-Governor of Bengal, K.C.S.I.

His Excellency the Commander-in-Chief, G.C.B., G.C.S.I., C.I.E.

The Hon'ble Sir A. J. Arbuthnot, K.C.S.I., C.I.E.

The Hon'ble Sir J. Strachey, G.C.S.I., C.I.E.

General the Hon'ble Sir E. B. Johnson, R.E., K.C.B., C.I.E.

The Hon'ble Whitley Stokes, C.S.I., C.I.E.

The Hon'ble Rivers Thompson, C.S.I.

The Hon'ble Sayyad Ahmad Khán Bahádur, C.S.I.

The Hon'ble T. C. Hope, C.S.I.

The Hon'ble B. W. Colvin.

The Hon'ble Mahárájá Jotíndra Mohan Tagore, C.S.I.

The Hon'ble G. H. M. Batten.

The Hon'ble C. Grant.

The Hon'ble E. C. Morgan.

The Hon'ble J. Pitt-Kennedy.

BURMA SURVEY BILL.

The Hon'ble MR. RIVERS THOMPSON moved that the Bill to provide for the demarcation and survey of land in British Burma be referred to a Select Committee consisting of the Hon'ble Messrs. Stokes, Colvin and Grant and the Mover.

The Motion was put and agreed to.

The Hon'ble MR. RIVERS THOMPSON also moved that the Bill be published in the *British Burma Gazette* in English and in such other languages as the Local Government thinks fit.

The Motion was put and agreed to.

BOMBAY CIVIL COURTS ACT, 1869, AMENDMENT BILL.

The Hon'ble MR. STOKES introduced the Bill to amend the Bombay Civil Courts Act, 1869, and moved that it be circulated for the purpose of eliciting opinion thereon.

The Motion was put and agreed to.

The Hon'ble MR. STOKES also moved that the Bill be published in the *Bombay Government Gazette* in English.

The Motion was put and agreed to.

BURMA DISTRICT CESSES AND RURAL POLICE BILL.

The Hon'ble MR. RIVERS THOMPSON moved that the Report of the Select Committee on the Bill to amend the law relating to District Cesses and Rural Police in British Burma be taken into consideration. He said that it would be seen from the Report of the Select Committee that since the introduction of the Bill very few changes had been made in its provisions. The only material changes were in connection with the 9th section of the Bill, which referred to the purposes for which these district-funds were to be applied. An addition had been made in the list of purposes for which local funds might be used, by adding "the improvement of river-channels." As communications in British Burma were as much by water as by land, it was considered desirable that power should be taken for using local cesses for the improvement of these water-channels.

In connection with this section, he desired to refer to the principle which was affected by the amendment which the Select Committee had introduced. In the Bill, as it originally stood, power was conferred upon the Chief Commissioner to transfer funds from one district to another for all general purposes. As such cesses were levied by a percentage upon the land-revenue, it would always be the result that in backward districts, where cultivation had not advanced from paucity of population or other causes, the amount realized by local cesses for local purposes was small; and thus, while richer districts found themselves at the end of the year with a surplus which they could not utilise for local purposes within their own jurisdiction, the poorer district in the neighbourhood was unable to carry out any work of real utility. The Chief Commissioner had, accordingly, represented the desirability of taking power to use these funds generally throughout the province, and that their use should not be restricted to the particular districts in which the cesses were levied. The principle of course was right, in a Bill of this kind, that local cesses should

be used in the districts where they were raised; and this was more especially the case where the appropriation of the funds was in the hands of the Government and not of a local Committee; and, so far as was reasonable, the Select Committee desired to maintain the principle that local funds should be expended in the districts to which they belonged. While, then, the general power to transfer funds from one district to another had been abandoned by the Select Committee in considering this particular section, it had been thought desirable to provide that, as regards two of the purposes to which local funds might be applied, namely, the maintenance of a local postal service and the construction and maintenance of district-roads and other communications, the Chief Commissioner should have power to transfer at the end of a year the surplus-funds of one district to any other district *in the same division.* Perhaps the one thing which Burma more essentially required than any other was the more rapid development of the resources of its less advanced districts by the opening out of communications. As matters stood, a well-to-do district might be able from its funds to carry out a road within its own limits, but to go no further; while a backward district, which had no funds to complete the communication between itself and the adjoining district, or from one centre to another part of the division, remained without the means of carrying out projects the most advantageous for itself. It had, therefore, been considered by the Select Committee desirable to modify the general rule in that respect as regards roads, and as a consequence as regards the improvement of the local postal service; and, by the proviso to the 9th section of the Bill, power had been given to the Chief Commissioner to utilise, at the end of a year, the surplus-funds of a richer district for continuing such works in connection with other districts in the same division. He (MR. RIVERS THOMPSON) thought such limited powers might safely be entrusted to the local administration with a prospect of much benefit to the province.

The Motion was put and agreed to.

The Hon'ble MR. RIVERS THOMPSON also moved that the Bill as amended be passed.

The Motion was put and agreed to.

MILITARY CANTONMENTS ACT AMENDMENT BILL.

The Hon'ble MR. STOKES presented the final Report of the Select Committee on the Bill to provide for the revision of proceedings in trials held under the Military Cantonments Act, 1864, section 20.

KÁZÍ BILL.

The Hon'ble SAYYAD AHMAD KHÁN moved for leave to introduce a Bill for the appointment of persons to the office of Kází. He said:—"MY LORD,—In asking leave to introduce a Bill into the Council relating to the appointment of Kázís, I am supported by a sincere conviction that I am recommending a piece of legislation which will do no more than meet a long-felt want of the Muhammadan subjects of Her Imperial Majesty in some parts of the Empire.

"Before the advent of British rule in this country, a Kází was appointed for each pargana, and a Kází-ul-Kuzát for each great centre. The duties of these functionaries are stated at length in the law-books of both the Shía and Sunni sects, from which it appears that the Kází held a judicial office, and was invariably appointed by the State. His ultimate connection with the performance of certain ceremonial duties, and some other rites which may be said to be ceremonial from one point of view and social from another, arose from his recognised credit as the nominee of the Government, and from his supposed knowledge of the Muhammadan law. A large portion of the judicial powers of the Kází had already been transferred to other officials before the introduction of British rule, while the appointment of Judges and Magistrates under the British Government deprived him altogether of the last remnant of his functions as a judicial officer. The British Government, though no longer recognizing the judicial functions of the Kází, invariably accorded a legal sanction to his appointment for three-quarters of a century until the passing of Act XI of 1864. At the time of the passing of this Act the duties of the Kází did not extend beyond (1) celebrating marriages and presiding at divorces, and (2) performing various other rites and ceremonies. The performance of these duties by the Kázís was partly due to the fact that the practice had acquired the force of a social custom by the lapse of time, partly to the recognized acquaintance of the Kázís with the law, and partly to the fact that the presence of a duly appointed Kází was considered necessary at the performance of certain rites and ceremonies.

"Now, it was exceedingly doubtful whether a Kází not appointed by the State could be said to be a duly appointed Kazí. Some of the highes Courts in this country have held that he could not. Accordingly, my Lord, although it is expressly stated in Act XI of 1864 that nothing contained in that Act 'shall be construed so as to prevent a Kází-ul-Kuzát or other Kázi from performing, when required to do so, any duties or ceremonies prescribed by the Muhammadan law,' yet, when the State divested itself of the power of appointment, it 'was felt that no duly' appointed Kazí could be found for the performance of those rites and ceremonies.

"My Lord, the absence of a duly appointed Kází on occasions on which the Muhammadans regard his presence as necessary from their social or ceremonial point of view is the source of much inconvenience to them, as has been represented on several occasions by members of that community, and more particularly by the Muhammadans of the Madras Presidency. To undertake, therefore, the appointment of Kázís will be but a reasonable concession on the part of Government to the wants of a large section of Her Imperial Majesty's subjects, and will prove a most acceptable relief to them.

"My Lord, as the want of duly appointed Kázís has been chiefly felt in the Presidency of Madras, the Bill I ask leave to introduce is intended to extend, in the first instance, only to that Presidency; but it is proposed to add a clause to it empowering any other Local Government to extend its provisions to the territories administered by it, should the Muhammadans in those territories hereafter desire its extension.

"My Lord, the object of the present motion is nothing more than the creation of duly appointed Kázís to satisfy the social and ceremonial wants of the Muhammadan population. A detail of the duties to be devolved on the Kázís does not come under the scope of the proposed Bill. The use to be made of these functionaries will depend on the customary practice of the parties concerned. The Bill in question will simply provide for the appointment of Kázís by Government, leaving their position and duties, whatever they may be, just as they now are, and conferring no judicial or other powers on them; and, in order to prevent any possible misapprehension as to the object of the proposed Bill, a saving clause will be added to that effect.

"My Lord, in conclusion, I beg to express once more my strong conviction that such a wholesome piece of legislation will prove highly beneficial to a large section of the population of India, and will be welcomed by the Muhammadan subjects of Her Imperial Majesty with feelings of gratefulness and satisfaction."

The Motion was put and agreed to.

The Council adjourned to Friday, the 30th January, 1880.

D. FITZPATRICK,
Secretary to the Government of India,
Legislative Department.

CALCUTTA;
The 23rd January, 1880.

Govt. Central Press.—No. 456 L. D.—28-1-80.—230.

Abstract of the Proceedings of the Council of the Governor General of India, assembled for the purpose of making Laws and Regulations under the provision of the Act of Parliament 24 & 25 Vic., cap. 67.

The Council met at Government House on Friday, the 30th January, 1880.

PRESENT:

His Excellency the Viceroy and Governor General of India, G.M.S.I., *presiding.*

His Honour the Lieutenant-Governor of Bengal, K.C.S.I.

His Excellency the Commander-in-Chief, G.C.B., G.C.S.I., C.I.E.

The Hon'ble Sir A. J. Arbuthnot, K.C.S.I., C.I.E.

The Hon'ble Sir J. Strachey, G.C.S.I., C.I.E.

General the Hon'ble Sir E. B. Johnson, R.A., K.C.B., C.I.E.

The Hon'ble Whitley Stokes, C.S.I., C.I.E.

The Hon'ble Rivers Thompson, C.S.I.

The Hon'ble Sayyad Ahmad Khán Bahádur, C.S.I.

The Hon'ble T. C. Hope, C.S.I.

The Hon'ble B. W. Colvin.

The Hon'ble C. Grant.

The Hon'ble E. C. Morgan.

The Hon'ble J. Pitt Kennedy.

The Hon'ble G. C. Paul, C.I.E.

The Hon'ble H. J. Reynolds.

NEW MEMBER.

The Hon'ble H. J. Reynolds took his seat as an Additional Member.

CANTONMENTS ACT AMENDMENT BILL.

The Hon'ble MR. STOKES moved that the Reports of the Select Committee on the Bill to provide for the revision of proceedings in trials held under the Military Cantonments Act, 1864, section 20, be taken into consideration. He said that the Committee had made both substantial and formal changes in this Bill. The substantial changes consisted in the introduction of a power to the Local Government to impose, for local purposes, in any cantonment, taxes of the same description as were commonly imposed in municipalities, and a power to extend any portion of the Cantonment Act to any place without extending

the whole. The Governments of Madras and Bombay, having Cantonment Acts of their own, would probably desire to extend to some of their cantonments the new taxation-sections.

The principal formal change consisted in the conversion of the Bill from a mere piece of patchwork into a measure repealing and re-enacting the law on the subject. That this was desirable would appear from the fact that the present Cantonment Act had been already twice amended, namely, by the Small Cause Court Act, XI of 1865, and by the Code of Criminal Procedure, Act X of 1872; that four of its sections had been repealed by Acts XIV of 1870 and VIII of 1871; and that parts of three of the remaining sections (39, 43 and 44) were, according to the opinion held by the Government of India during the last ten or twelve years, *ultra vires* of this legislature, as purporting to enable the Government to deal with cantonments situate in foreign territory. That power, MR. STOKES need hardly say, the Government possessed in its executive capacity, and to confer it by an Act was, therefore, not only illegal, but useless. Moreover, the arrangement of the present Cantonment Act was somewhat obscure; and, considering the class of officers who had to administer it, the Select Committee thought it especially desirable that the law should be compact and clear. The result of the Committee's labours was now before the Council. The Bill contained no section corresponding with the interpretation-clause of the present Act, because the expressions there defined were defined by the General Clauses Act, I of 1868, for all subsequent enactments. It gave no power to the Local Governments to establish Small Cause Courts within cantonment-limits, for the Local Governments had this power under Act XI of 1865. It omitted the provision in section 22 of the present Act that simple imprisonment for breach of cantonment-rules might be in the civil jail. The reason was that several local authorities had recently represented that imprisonment in the civil jail (commonly a ward in the ordinary jail set apart for persons imprisoned by order of Civil Courts and Revenue-officers) was, to most Natives, little or no punishment. The Bill did not declare (as was done by the present Act, section 27) that Courts should take judicial notice of cantonment-rules; for, as these rules had the force of law, section 57 of the Evidence Act would apply. It would be seen that the Select Committee had not altered the puzzling and incomplete provisions as to the occupation by private persons of Government-lands in cantonments, and the right to claim houses built on such lands. The reason was that the Committee did not quite know what to put in the place of those provisions. The whole subject was now under discussion by the executive departments concerned, and would, no doubt,

be further discussed by all the Local Governments. When that discussion was ended,—possibly in three or four years,—if a comprehensive cantonment-law were then determined on, a law extending (not merely extendible) to the whole of British India, the then Viceroy would say *rumpe moras*, and the task of our successors would be facilitated by the present Bill.

The Motion was put and agreed to.

The Hon'ble MR. STOKES also moved that the Bill as amended be passed.

The Motion was put and agreed to.

KÁZÍ BILL.

The Hon'ble SAYYAD AHMAD KHÁN introduced the Bill for the appointment of persons to the office of Kází, and moved that it be referred to a Select Committee consisting of the Hon'ble Sir A. J. Arbuthnot, the Hon'ble Messrs. Stokes, Colvin and Batten and the Mover. He said that he did not wish to take up the time of the Council by commenting on its provisions, as they were explained in the Statement of Objects and Reasons.

The Motion was put and agreed to.

The Hon'ble SAYYAD AHMAD KHÁN also moved that the Bill be published in the local official Gazettes in English and in such other languages as the Local Governments might think fit.

The Motion was put and agreed to.

PORTUGUESE TREATY BILL.

The Hon'ble MR. HOPE moved for leave to introduce a Bill to give effect to the Convention between the Governors General of British India and Portuguese India regarding the Extradition of Criminals, and to the twentieth article of the Treaty between Her Majesty and the King of Portugal and the Algarves. He said that in the course of the last year Her Majesty concluded a Treaty with the King of Portugal. The nineteenth article of that Treaty dealt with the subject of extradition; and it was provided that the details under which extradition should be conducted should be embodied in a Convention, to be executed between the Governors General of British India and Portuguese India. That Convention had already been concluded. Article 20 of the same Treaty provided for the issue of commissions in criminal trials and inquiries. He had now the honour to ask permission to introduce a Bill, which was considered desirable to give effect to those two provisions.

The Motion was put and agreed to.

The Hon'ble MR. HOPE also introduced the Bill.

The Hon'ble MR. HOPE also applied to His Excellency the President to suspend the Rules for the Conduct of Business, in consequence of the Convention taking effect from the 1st proximo.

The PRESIDENT declared the Rules suspended.

The Hon'ble MR. HOPE then moved that the Bill be taken into consideration.

The Motion was put and agreed to.

The Hon'ble MR. HOPE also moved that the Bill be passed.

The Motion was put and agreed to.

The Council adjourned to Friday, the 13th February, 1880.

D. FITZPATRICK,
Secy. to the Govt. of India,
Legislative Department.

CALCUTTA;
The 30th January, 1880.

Govt. Central Press.—No. 486 L. D.—5-2-80.—230.

Abstract of the Proceedings of the Council of the Governor General of India, assembled for the purpose of making Laws and Regulations under the provisions of the Act of Parliament 24 & 25 Vic., cap. 67.

THE Council met at Government House on Friday, the 13th February, 1880.

PRESENT:

His Excellency the Viceroy and Governor General of India, G.M.S.I., *presiding.*
His Honour the Lieutenant-Governor of Bengal, K.C.S.I.
His Excellency the Commander-in-Chief, G.C.B., G.C.S.I., C.I.E.
The Hon'ble Sir A. J. Arbuthnot, K.C.S.I., C.I.E.
The Hon'ble Sir J. Strachey, G.C.S.I., C.I.E.
General the Hon'ble Sir E. B. Johnson, R.A., K.C.B., C.I.E.
The Hon'ble Whitley Stokes, C.S.I., C.I.E.
The Hon'ble Rivers Thompson, C.S.I.
The Hon'ble Sayyad Ahmad Khán Bahádur, C.S.I.
The Hon'ble T. C. Hope, C.S.I.
The Hon'ble B. W. Colvin.
The Hon'ble Mahárájá Jotíndra Mohan Tagore, C.S.I.
The Hon'ble C. Grant.
The Hon'ble E. C. Morgan.
The Hon'ble J. Pitt Kennedy.
The Hon'ble G. C. Paul, C.I.E.
The Hon'ble H. J. Reynolds.

PROBATES AND ADMINISTRATION BILL.

The Hon'ble MR. STOKES presented the Report of the Select Committee on the Bill to provide for the grant of Probates of Wills and Letters of Administration to the estates of certain deceased persons.

DISTRICT DELEGATES BILL.

The Hon'ble MR. STOKES also presented the Report of the Select Committee on the Bill to make further provison for the grant of Probate and Letters of Administration in non-contentious cases.

NORTH-WESTERN PROVINCES RENT ACT, 1873, AMENDMENT BILL.

The Hon'ble MR. COLVIN moved for leave to introduce a Bill to amend the North-Western Provinces Rent Act, 1873. He said that the present Rent

Law of the North-Western Provinces, which was contained in Act XVIII of 1873, had been in force for rather more than six years, and during that time had worked successfully. As might be expected, however, some errors and inadvertences had come to light in its operation, some doubtful questions of interpretation had been raised, and the necessity of introducing one or two new provisions into the law had been shewn. The Bill which he wished to introduce was intended to supply these deficiencies. The precise nature of the amendments which were contemplated would be fully set forth in the Statement of Objects and Reasons accompanying the Bill, and it did not seem necessary to recapitulate them on the present occasion. They would be found to be mostly unimportant changes. At the same time a few of them could not be long delayed without causing inconvenience and mischief. The time, therefore, seemed to have come for undertaking the first of those revisions which a law of that description periodically required. A similar revision of the Land-revenue Act of 1873 was undertaken upon the like grounds, and had been completed during the last year; and he trusted that, with the explanation which he had now given, the Council would consent to the introduction of a corresponding measure for the revision of the North-Western Provinces Rent Act.

The Motion was put and agreed to.

MERCHANT SHIPPING BILL.

The Hon'ble Mr. STOKES asked leave to postpone the presentation of the Report of the Select Committee on the Bill relating to Merchant Shipping.

Leave was granted.

BURMA SURVEY BILL.

The Hon'ble MR. RIVERS THOMPSON presented the Report of the Select Committee on the Bill to provide for the demarcation and survey of land in British Burma.

MULTÁN DISTRICT LAWS BILL.

The Hon'ble MR. STOKES moved for leave to introduce a Bill to declare the law in force in certain lands annexed to the Multán District. He said that the tract of land in the Bahâwalpur State now occupied by the line and premises of the Indus Valley State Railway was, in 1872, ceded by that State to the British Government in full sovereignty. This tract had, by a notification of the Governor General in Council of the 14th of July last, been declared to be subject to the Lieutenant-Governorship of the Panjáb, and, by a notification

of the 2nd September, 1879, issued under the provisions of Act No. VI of 1867, the Lieutenant-Governor of that Province had included it within the limits of the Multán district. Now, most of the laws in force in the Panjáb operated in all the territories for the time being administered by the Lieutenant-Governor of the Panjáb, but some of such laws (for instance, the much amended Panjáb Laws Act, IV of 1872) operated only in the territories subject to the Lieutenant-Governor at the dates at which they were respectively enacted. The effect of the two notifications was, therefore, to bring only a portion of the law in force in the Multán district into force in this tract. It was obviously desirable that the law throughout that district should be the same; and as this result could not be attained without legislation, the present Bill had been prepared at the request of the Local Government. It consisted of a single section declaring generally that all enactments in force in the Multán district on the day when the tract in question became portion of that district should be deemed to have come into force in this tract on that day.

The Motion was put and agreed to.

FACTORIES BILL.

The Hon'ble MR. COLVIN moved that the Hon'ble Mahárájá Jotíndra Mohan Tagore, the Hon'ble Sir A. Arbuthnot and the Hon'ble Mr. Reynolds be added to the Select Committee on the Bill to regulate labour in Factories.

The Motion was put and agreed to.

The Council adjourned to Friday, the 20th February, 1880.

D. FITZPATRICK,
Secy. to the Govt. of India,
Legislative Department.

CALCUTTA;
The 13th February, 1880.

Govt. Central Press.—No 535 L. D.—18-2-80.—250.

Abstract of the Proceedings of the Council of the Governor General of India, assembled for the purpose of making Laws and Regulations under the provisions of the Act of Parliament 24 & 25 Vic., cap. 67.

The Council met at Government House on Friday, the 20th February, 1880.

PRESENT:

His Excellency the Viceroy and Governor General of India, G.M.S.I., *presiding.*

His Honour the Lieutenant-Governor of Bengal, K.C.S.I.

His Excellency the Commander-in-Chief, G.C.B., G.C.S.I., C.I.H.

The Hon'ble Sir A. J. Arbuthnot, K.C.S.I., C.I.E.

General the Hon'ble Sir E. B. Johnson, R.A., K.C.B., C.I.E.

The Hon'ble Whitley Stokes, C.S.I., C.I.E.

The Hon'ble Rivers Thompson, C.S.I.

The Hon'ble Sayyad Ahmad Khán Bahádur, C.S.I.

The Hon'ble T. C. Hope, C.S.I.

The Hon'ble B. W. Colvin.

The Hon'ble Mahárájá Jotíndra Mohan Tagore, C.S.I.

The Hon'ble G. H. M. Batten.

The Hon'ble C. Grant.

The Hon'ble E. C. Morgan.

The Hon'ble J. Pitt Kennedy.

The Hon'ble H. J. Reynolds.

PROBATE AND ADMINISTRATION BILL.

The Hon'ble MR. STOKES moved that the Report of the Select Committee on the Bill to provide for the grant of Probates of Wills and Letters of Administration to the estates of certain deceased persons be taken into consideration. He said that he might remind the Council that, as the law of British India at this moment stood, there was, speaking generally, no procedure for conferring upon any one a complete and conclusive title as representative of the estate of a deceased Hindú, Muhammadan or Buddhist or other person exempt from the operation of the Indian Succession Act. The primary object of the Bill was to provide such procedure, while guarding against interference with the substantive succession-laws of the classes in question. The Bill as introduced, following the course adopted in the Hindú Wills Act, incorporated by mere reference the sections of the Indian Succession Act which it was proposed to apply. This

mode of legislation, it had been strongly urged by several of the authorities consulted,—by none more effectively than by Mr. Mahmud, District Judge of Rai Bareli, the son of their Hon'ble colleague Sayyad Ahmad Khán,—was likely to render the Act less intelligible and convenient to many of those who would have to use it; and the Committee had accordingly set out, at length in the amended Bill all the sections of the Succession Act which it was intended should apply, and thus made the measure complete and self-contained.

Apart from this, which, though it much altered the appearance of the Bill, was a change merely in form, the amendments made by the Committee were few. The most important of these consisted in the introduction, in section 12, of the provision of the Indian Succession Act (omitted in the Bill as introduced) which barred the establishment of any right as executor or legatee, until a grant of probate or letters of administration with the will annexed had been obtained; but in introducing this provision the Committee had confined it to cases in which the property comprised in the will amounted to more than one thousand rupees —in other words the Committee proposed that every will bequeathing in the whole property worth more than a thousand rupees should be proved.

The Committee did not think that, in this limited class of cases, the considerations which had been urged against making the obtaining of probate or letters of administration a condition precedent to the establishment of any right based on succession had any application; for in such cases the persons concerned could hardly be said to be poor or ignorant. On the other hand, the advantages of requiring the will to be proved were too obvious to call for comment. The genuineness of the document, if it were genuine, was established; authenticated evidence of the executor's title was provided; and the revenue of the country was benefited, as it fairly might, considering the advantages received by persons claiming under the will. The experiment had already been fully tried under the Hindú Wills Act of 1870, with most satisfactory results, and no hardship could reasonably be expected from applying to wealthy Native testators throughout British India what had been the law applicable for the last ten years to all Hindú testators throughout the Lower Provinces and the Presidency-towns.

With this solitary exception, the Bill remained a purely permissive measure. But it would not, he thought, be the less effective. Regarding this Mr. Stokes would quote a paper by Mr. Geddes, of the Bengal Civil Service, and lately Acting Remembrancer of Legal Affairs in Calcutta. Mr. Geddes, after stating his opinion that the Bill would be useful and would supply a want which was beginning to be felt rather extensively in Bengal, went on to say,—"It is useless to ignore

the fact that the Western institution of will, developed as it has been by the partial application of the Indian Succession Act, is profoundly modifying Hindú custom and usage. Musalmán customary law proves more intractable, but even this is beginning to recognize the *jus repræsentationis* hitherto unknown to that system of jurisprudence. The change is going on. It is impossible for any one who has served as District Judge for some time not to observe a marked change of late years.....It is the people themselves who are spontaneously appreciating and resorting to this English principle of determinate succession or representation. It is they themselves who are modifying their own legal usage."

The amendment next in order of importance would be found in section 91 of the Bill, where the Committee had rendered the consent of the Court necessary to every disposition of the property made by an executor or administrator. This limitation had been considered necessary in the mufassal, where it was deemed unsafe to entrust to an executor or administrator, the full powers conferred by the Succession Act. In the Presidency-towns, however, where executors and administrators at present were allowed these powers, and where, moreover, the expense attending an application to the Court would be considerable, the Committee had given the Court power to exempt the executor or administrator from the necessity of applying for its consent in each case. And in the Mufassal, though the Bill, as now settled, was in accordance with the decision of the Committee, he (Mr. Stokes) would be inclined to require the Court's consent only in case of alienations of immoveable property, and, perhaps, Government-securities, which were specially provided for under the Certificate Act, XXVII of 1860, section 9. To compel an executor or administrator to apply to the Court whenever he wanted to sell any of the bullocks or household-utensils of the deceased, would obviously lead to much useless trouble and expense.

Coming now to minor amendments, he might mention that the Committee had omitted in sections 8 and 14 of the Bill the words to be found in the corresponding sections of the Succession Act, making the consent of the husband a condition precedent to the grant of probate or letters of administration to a married woman. Such consent was required in England, partly because by the law of that country husband and wife were considered but as one person and as having one mind, which (according to our male lawyers) was "placed in the husband," and therefore the wife could do no act, such as taking probate, which might prejudice the husband; partly because, in all actions by or against the wife, the husband must be joined. But these reasons did not apply to India. Among a large proportion of the persons for whom the Bill was intended,

married women had a proprietary status which rendered them, in the eyes of the law, almost independent of their husbands; and the technical objection as to the necessity of joining the husband in suits by or against the wife fell to the ground under the new Civil Procedure Code, section 439, which expressly declared that, unless the Court directed otherwise, the husband of a married administratrix or executrix should not be a party to a suit by or against her.

The Committee had, in section 63, required an applicant for probate to insert in his application, as an applicant for letters of administration was bound to do under the Succession Act, an estimate of the amount of assets which were likely to come to his hands. This amendment was required to complete the chain of securities at present provided by law for the protection of the revenue derived from Court-fees on probates and letters of administration, and it merely brought the Bill into conformity with the law of England (55 Geo. III, c. 184, s. 38) and the existing practice of the Calcutta High Court.

The other changes to which he would call the attention of the Council were all directed to making the measure more in accordance with the usages and circumstances of the population of the Mufassal. Thus the rate of interest (4 per cent.) prescribed by sections 307 and 313 of the Succession Act seemed to the Committee too low for the purposes of this Bill, and they had accordingly, in sections 127 and 133 of the Bill, raised it to six per cent., the ordinary Court rate, and the lowest usual rate among Natives.

Again, in introducing section 276 of the Succession Act into the Bill, the Committee had, with a view to adapting it to the ideas and practices of the classes to which the measure would apply, limited the duty of the executor to providing the necessary funds for the performance of the funeral ceremonies of his testator instead of requiring him to perform them himself, as the section as it stood in the Succession Act had been supposed by some to do. According to Hindú law, funeral-rites must be performed by certain specified persons, who might or might not be executors; and he believed that Muhammadans had similar rules on the subject.

He would conclude by mentioning what was perhaps the most important of the changes to which he had last referred. The Committee had excluded from the Bill sections 283 and 284 of the Succession Act, which provided that, in the case of a deceased person whose domicile was not in British India, the application of his moveable property to the payment of his debts should be regulated by the law of the country in which he was domiciled. Such a provision, if applied to the classes of persons for whose benefit this Bill was

intended, would, the Committee felt certain, be the source of endless complications and difficulty. The vast majority of those persons, when not domiciled in British India, were domiciled in countries—such as Afghanistan, Nepal, Burma—where either there was nothing that could be called law applicable to the matter in question, or, such laws as existed were merely personal laws. Wherever this was so, to withdraw the matter from the operation of the Bill and relegate it to the territorial law of the domicile, would be in effect to remove it altogether from the sphere of ascertainable law, leaving it to be determined according to some vague principle of equity and good conscience, as compared with which the proverbial Chancellor's foot would be an absolute standard.

The Committee thought the only feasible plan in dealing with the class of persons to which this Bill applied was to subject the matter to our law in all cases without any reference to the domicile of the deceased. The Committee had the less hesitation in doing this, as the principle which allowed the law of the domicile to prevail in this particular against the law of the situs of the assets, though recognised in some parts of the continent of Europe and followed in a well-known English case (*Wilson* v. *Lady Dunsany*, 18 Beav. 293), was far from being universally accepted, was at variance with the late Vice-chancellor Kindersley's decision in *Cook* v. *Gregson*, 2 Drew. 280, and had been condemned by eminent textwriters, such as Westlake and Story, as out of place in any system founded on the English law. Practical convenience was obviously in favour of the change proposed by the Committee, and in theory the rule that the law of the situs of the assets should prevail might be supported—to quote a recent book on private international jurisprudence—by regarding all questions of the priority of creditors as touching matters of procedure, a principle asserted in general terms by jurists and recognised in English Courts as to the distribution of assets under a bankruptcy.

The Hon'ble Mr. Kennedy said that he ventured to add a few words in support of the motion of the hon'ble Member in charge of the Bill. The greater portion of it might be said to be properly merely a matter of procedure. There was, however, one provision of very considerable importance which would effect an important change in the law, except in the Presidency-towns and in the Provinces subject to the Lieutenant-Governor of Bengal. There it merely continued the same state of the law which, so far as regards Hindús, had there existed for the last ten years. But the change seemed to him to be one that he had long thought to be requisite. His professional experience had convinced him that it was of the greatest possible importance that the basis of the title under which any rights were to be claimed should be made secure, and that

probate of the will or grant of administration under which property was claimed should be obtained as early as possible. A false case was strengthened by the lapse of time; a true case became weakened. When a will was put forth after a time he had seen an array of false witnesses brought forward either in support or contradiction of it. While the facts were recent the Judge had the opportunity of coming to a right decision. But when the lapse of time had weakened an accurate recollection of the facts, if the Judge did come to a right conclusion, it might not unfrequently be rather by chance than the real weight of evidence. Therefore, it was most important to make persons understand that, if they meant to put forward a will, they should put it forward at a very early opportunity. The Bill would not prevent applications for probate of wills at later periods; but if it was made an absolute duty imposed by the law to obtain probate, it would throw extreme difficulty in the way of persons who kept them, as it were, concealed for a long time, and the grant of letters of administration in the meantime would in most cases absolutely exclude any attempt to put forward a will. MR. KENNEDY would have wished even to go further, but the change would have been too serious until the people of the country had been more accustomed to the operation of letters of administration. In numerous cases great difficulties arose in dealing with property for want of some authorised representative of the estate of a deceased person, especially in the case of Musalmáns, when their families had remained (as they often did in these Provinces) undivided for considerable periods. Under those circumstances, as a result of their peculiar system of inheritance, most infinitesimal, shares became vested in some individuals. But this difficulty would become obviated if on death the whole property became vested in some one representative of the family. He felt, however, that it was safe not at present to ask to have administration made general and compulsory. We must wait until the people of the country were convinced by experience of the working of the voluntary system, that the grant of administration to one party was beneficial for the general interests of the parties concerned.

The other modifications mentioned in the Committee's report which the Hon'ble Member in charge of the Bill had alluded to seemed to be required: they very much carried out the provisions which did exist in cases where there were managers of the property appointed under the existing Acts. A manager could not sell the immoveable property of an incapacitated person without the consent of the Court; and as to certificates taken out under the Act of 1860, special power must be given to authorize sale of Government Promissory notes.

The Hon'ble Mr. Hope said he observed that the Committee, at the end of their report, made the following recommendation:—

"We think the amendment we have referred to in paragraph 3 *supra* is of sufficient importance to make it desirable that the Bill be re-published; but as we do not anticipate that any objections will be made to that amendment, we recommend that this report should be taken into consideration before the end of the Calcutta sittings, so as to place the Council in a position to pass the Bill at Simla in the event of no valid objection being brought forward, say, within two months."

In order to see what the amendment referred to was, he would ask leave to read a portion of the Statement of Objects and Reasons, which ran thus:—

"The reports of the local authorities have now been received, and their purport may be briefly described by saying that, while there is a considerable body of opinion in favour of providing the means of obtaining probate of the will or letters of administration to the estate of any deceased person when those interested desire to do so, the proposal to insist on probate or letters of administration as essential has been generally condemned, as tending to impose upon a multitude of poor and ignorant people, in cases where there is no difficulty or dispute, an unnecessary amount of trouble and expense."

On further referring to the report of the Committee, paragraph 3, it would appear that they had so far modified their previous determination as to make the Bill apply to all cases of probate in which the property comprised in the will amounted to more than one thousand rupees.

It was, perhaps, unnecessary for him to attempt to prove what the Statement of Objects and Reasons itself admitted, namely, that the proposal to insist upon probates had been generally condemned; but he would very briefly invite attention to one or two opinions which had been expressed. The Government of Madras, in their communication, which was printed as Paper No. 7, said that "the measure is not wanted in the circumstances of the country and is highly impolitic." The Chief Commissioner of the Central Provinces stated that there appeared "to be no necessity for altering the law so far as these Provinces are concerned;" and he generally concurred in the remarks of the Judicial Commissioner, who said "I consider the proposed legislation to be premature and unnecessary, and beyond the present condition of the inhabitants of these Provinces." Again, referring to the opinion received from the Lieutenant-Governor of the Panjáb, Mr. Hope thought he was not in error in understanding the qualified approval therein given to the Bill as given only to the Bill as first introduced, in which this extension of the measure did not exist. The hon'ble Mr. Justice Thornton, a late colleague of the Members of this Council, also merely said that, *as* the

taking-out of probate and letters of administration was not to be compulsory in the case of those to whom the Bill applied, he thought there could be no objection to the principle of the measure.

The Hon'ble MR. STOKES thought the hon'ble Mr. Hope was out of order in speaking and quoting opinions upon the principle and substance of the Bill when the motion was simply that the report of the Select Committee be taken into consideration. Under the Rules for the conduct of business, his remarks should apparently have been made when the Bill was introduced.

The Hon'ble MR. HOPE remarked that, if there was to be no discussion now upon the substance of the Bill, he should like to be informed at what stage the discussion should take place: a prolonged discussion took place upon the Dekkhan Raiyats Bill at this very stage.

His Excellency THE PRESIDENT did not think the hon'ble Mr. Hope was out of order: if no discussion were allowed at this stage, and the Bill was passed elsewhere than in Calcutta, some Hon'ble Members might have no opportunity of speaking upon it.

The Hon'ble MR. HOPE proceeded. He had just referred to the qualified approval given by the Lieutenant-Governor of the Panjáb. In the report from the Government of the North-Western Provinces, paragraph 2, it was stated that "the proposal to render recourse to the Bill voluntary removes His Honour's main objection," which MR. HOPE took as only a similarly qualified approval.

Besides this particular objection which had been pointed out, MR. HOPE would also remark that the Bill raised a very important, broad question of principle and of policy. It was a very important question, deserving of most serious consideration, whether it was desirable to give special encouragement to the practice of making wills amongst the Natives of the country, instead of allowing property to devolve in accordance with Hindú or Muhammadan law. The Council had been told by a preceding speaker that this system of making wills was entirely at variance with old Hindú customs and usages: amongst Muhammadans the practice was allowed by their law and did, to some extent, prevail; but still MR. HOPE thought the step now proposed should not be taken without mature and careful consideration. The practical effect of the measure before the Council should also be considered, even supposing it was desirable in the abstract that the making of wills should be encouraged. There could be no question that the procedure proposed was of a highly technical nature. On

this point he would not quote other authorities; but the Lieutenant-Governor of the North-Western Provinces said he would "strongly object to the application of the procedure laid down in the Indian Succession Act, as far more complicated and detailed than is in any way desiderated." The Members of the Council all knew the direct effect of introducing a highly technical law. The effect was—and they had been told on another occasion that it was a desirable one—to force the management of every kind of dispute into the hands of the recognized agents of the parties, that was to say, of pleaders, and from this it followed that there would be an immense increase of litigation. As regards increase of litigation, the point would be perfectly obvious, but it was well expressed in one of the papers before the Council (Paper No. 6), where an officer in Mysore remarked that, "with the proneness evinced by Natives to resort to litigation, it may be concluded that the law Courts will, in a short time, be had recourse to largely to settle disputes among families, which are now adjusted by mutual arrangement or private arbitration." It was a very serious question whether such an immense amount of litigation should be encouraged and such an apple of discord thrown among Hindú and Muhammadan families of the Mufassal generally.

On these points MR. HOPE did not propose at present to give any opinion whatever; the remarks which he offered were merely for consideration in connection with the course he thought should be adopted, and with the view of showing that, in his opinion, the Committee were somewhat over-sanguine in supposing that no objection would be made to this very important amendment which they had inserted in the Bill. At any rate, he thought there could be no question that ample time should be given for the great Hindú and Muhammadan communities which were to be affected by the Bill fully to realize what was about to be imposed upon them. The change which was proposed was an enormous one. The Hon'ble Mover of the Bill had stated that the cases in which wills would be found relating to property above Rs. 1,000 in value would be very few. MR. HOPE understood him to imply that Rs. 1,000 was rather a large amount of property for an individual to have. But it should be remembered that it would include property in land; and property in land, for the purposes of litigation or otherwise, was not valued according to the annual rental, but according to a certain multiple of that rental. He had not been able to ascertain exactly on what principle the valuation of this Rs. 1,000 would be made. Supposing it were, as the Secretary, from a reference just made to him, would seem to think, that the market-value would be considered, MR. HOPE thought the market-value might be taken at from ten to twenty times the annual rental. If it were twenty times the rental, this provision of the

Bill would apply to all land having a yearly rental of more than Rs. 50: if the other valuation of ten times the rental were adopted, the provision would apply to every landholder having a property yielding more than Rs. 100 a year; and who knew how many millions of such landholders there were? But even if the operation of the law was not so extensive, still its operation would be exceedingly wide.

He did not find, in the whole of the papers before the Council, one single indication that the great Hindú and Muhammadan communities were even aware of what was going on. The Council was accustomed to receive memorials from the leading associations which represented those communities in different parts of the Empire. Not one single representation of the kind had been received; there were certainly a few communications from Native officials in various parts of the country; but otherwise the Council had received no indication of the feeling of the Native communities regarding the provision to which he had drawn attention. If it were contended that it was the fault of those associations for not having been sufficiently prompt in memorializing, MR. HOPE might reply that it was only about ten months since this Bill was introduced, and that from their own experience the Council knew that it took a long time for a knowledge of the effect of any proposed legislation to be diffused; and that it was not until a Bill was approaching maturity that the general public was roused to the effect of the proposed legislation. But ten months was not the period during which the Bill, with reference to which he was pointing out these objections, had been before the public. The Bill now before the Council was a Bill of a totally different operation from that introduced ten months ago, and, therefore, the Council could not at all infer, because no representations had hitherto been made, that none would be made.

It would be observed from this that all MR. HOPE was asking for was some more time for the consideration of the Bill. He was not himself prepared to give a decided opinion one way or the other; he had too much respect for the people to consent to the gradual undermining of their most important institutions before they had been fully heard upon the proposed measure; and he had too much respect for the Committee to assume, until he had heard both sides of the question, that they were in the wrong. It did not appear to him that the other side had been heard at all; therefore, he trusted that some considerable extension of time would be allowed, or some modification made in the intention to pass the Bill in two months. The passing of the Bill on the expiry of two months would involve its being passed at Simla. There were a great many Bills which might be properly passed at Simla, and regarding which no reasonable objection could be raised. But this

was not one of those cases. The probability was that, when the time came forward for consideration of the Bill at Simla, the Hindú and Muhammadan Members of the Council would not be in their places to represent the interests of their countrymen. Mr. Hope would, therefore, simply suggest that the further consideration of the Bill might very well be deferred until the Council re-assembled in Calcutta: the form in which that could most rightly be done would be by adjourning the debate to that time. But that was merely a matter of form.

His Excellency THE PRESIDENT asked if the Hon'ble Member concluded with a motion.

The Hon'ble Mr. Hope observed that the Rules required that every amendment should be given notice of three days before the consideration of the Bill upon which it was an amendment. But, on the other hand, the Rules likewise did not render it necessary that notice of the business to come before the Council should be sent to Members longer than two days before the meeting. It so happened that, before the notice of business reached him and he became aware that this Bill would come forward at this meeting, the three days required for notice of an amendment had already been broken into. But Mr. Hope believed that an amendment could be moved with His Excellency's permission. He would, with the President's permission, move that the debate on this Bill be adjourned until the Council re-assembled in Calcutta.

The Hon'ble Mr. Stokes said that, as the Member in charge of the Bill, he might aver that he personally was anxious that it should receive the fullest consideration from the Native community; and though he, in common with the other Members of the Committee (of whom the Hon'ble Sayyad Ahmad was one), thought that two months would afford ample time for such consideration, he was not immutably bent upon passing the Bill at Simla. He was willing that this should be deferred till the Council re-assembled in Calcutta.

His Excellency THE PRESIDENT remarked that the Hon'ble Member had merely been speaking as to the recommendation of the Select Committee. It was not the intention of the Government to proceed to pass the Bill prematurely into law, and he hoped the Hon'ble Member would be satisfied with the assurance which the Hon'ble Mover had given on the part of the Government.

The Hon'ble Mr. Hope expressed his entire satisfaction with the assurance which had just been given.

The Hon'ble Mr. Stokes said that it was incorrect to assert that the proposal to render probate compulsory had been generally condemned, and that

it was an exaggeration to describe the intended change as enormous. Considering the infrequency with which the testamentary power was still exercised by Natives, he might say that ninety-nine out of every hundred persons would remain as they were before the Bill was amended—they would simply be entitled to avail themselves of the optional procedure provided in case of an intestacy. The only change which would be effected by the amendment was the extension to the wills of Native testators throughout British India of the law regarding probates, which had applied for the last ten years to every Hindú will in the Lower Provinces of Bengal and the Presidency-towns; and even that extension was confined to wills comprising property exceeding Rs. 1,000 in value. As to the authorities which had been quoted by the Hon'ble Member as opposed to the Bill, they were both outnumbered and outweighed by authorities the other way. Besides the almost unanimous opinions of the Local Governments in favour of a permissive procedure which had led to the framing of the Bill as introduced, MR. STOKES might mention the learned and experienced Chief Justice of the Bombay High Court, who thought the Bill "much needed". Then there were the Legal Remembrancer, Bombay, the Commissioner and Judicial Commissioner of the Haidarábád Assigned Districts, the Recorder of Rangoon, the Commissioner of Ajmer, Mr. Sandford the Judicial Commissioner of Mysore, the Advocate General of Madras, Mr. Barkley the Commissioner of Jalandhar, the Government Advocate, Panjáb, the Judicial Commissioner of Oudh, the Judge of the Assam Valley Districts and others, of whom he would cite only one, a Muhammadan gentleman, the District Judge of Rai Bareli, to whose opinion MR. STOKES had before referred. This gentleman, Sayyad Mahmud, said:—

"The reasons given by the Hon'ble Mr. Whitley Stokes in his 'Statement of Objects and Reasons' for the necessity of making provision for the grant of probate and letters of administration, in respect of the estates of deceased persons of the Hindú, Muhammadan and other persuasions, are borne out by my own past experience as a practising member of the Bar. The administration of justice according to well-recognised principles of law and equity has been carried on long enough in British India to make the people aware of their rights and careful to guard them. Purchasers take greater care than formerly to investigate the title of their vendors, and the knowledge that defective title can be easily set aside by Courts of justice naturally operates to lower the value of property held by persons having defective titles. Any law which has for its object the providing of facilities for supplying purchasers with the means of obtaining from their vendors perfect titles to the subject of sale must tend to promote the contract and to raise the value of property. The absence of a law such as the one proposed in the Bill no doubt makes unnecessary litigation an almost inevitable sequence of the death of a person leaving many heirs and unsettled claims. This observation applies with especial force to Muhammadans, who, owing to the nature of the law by which they are governed, as a rule leave a large number of heirs,—father, mother, widow, sons and daughters, &c.,—being all entitled to inherit according to a very complicated code of rules."

The Hon'ble MR. HOPE asked whether the proposed law referred to in the extract which had just been read was not the Bill as first prepared and not the present Bill.

The Hon'ble MR. STOKES said that the hon'ble Member was well aware that it referred to the Bill as introduced, but the observations of Sayyad Mahmud were equally, if not still more, applicable to the Bill in its present form. With reference to the hon'ble Member's remark that the Bill gave special encouragement to the power of making wills, he begged to say that it did nothing of the kind. It recognised the validity of the testamentary power of Natives, as had long since been done by the High Courts, the Privy Council and this Legislature, and it provided, after the exercise of that power, certain safeguards which the experience of all civilized countries had shown to be necessary. He denied that the procedure prescribed by the Bill was of a highly technical nature. On the contrary, it was one of great simplicity, though of course it seemed technical to those who had not studied the subject. The multiplication table was 'technical' to people who did not know the meaning and use of numbers, factors and products. As to the assertion that the Bill would encourage litigation, he had long since learned to distrust such prophecies when made by persons unfamiliar with the working of our civil Courts, and he had already quoted a passage from the paper of Sayyad Mahmud to show that the Bill would have quite a different effect. Was it not matter of ordinary experience that people were more prone to go to law and bring or resist claims when the rights claimed were doubtful than they were when those rights were certain? The effect of obtaining probate of a will was to establish its authenticity and thus to preclude doubts as to the rights which it conferred and to stop unnecessary litigation among the parties claiming under it; and he confidently appealed to all those who had had judicial experience of the Lower Provinces and the Presidency-towns as to whether the Hindú Wills Act, by requiring probate to be taken out, had not lessened litigation among the class to which it applied.

The only further observation of the hon'ble Member which need now be noticed was that the Council had received no memorials from Native associations upon the subject of the Bill. Several opinions had been received from Native gentlemen, most of which were in favour of the measure; and MR. STOKES thought the absence of memorials was due to the fact that the Native associations in question had no objections to urge. The Bill had been nearly a year before the Native public, and he was much mistaken if the managers of those associations, who were both shrewd and watchful, had not recognised it as likely to stop useless litigation, to prevent fraud, forgery and

perjury, and (by enabling Native executors and administrators to give good titles) to increase the value of property all over the country.

The Hon'ble MR. COLVIN said that he had no objection whatever to the proposed delay in passing the Bill, but as a Member of the Select Committee, he wished to say a few words, in order to show that they neither desired to make such revolutionary changes as had been laid to their charge, nor to carry into effect such changes as they had recommended without allowing any time for their consideration.

He would point out, in the first place, that the principal innovation which the Committee advocated was far from being so important as it might appear to persons who formed their opinion of it from the Hon'ble Mr. Hope's speech. The Bill, no doubt, provided that no right as executor or legatee should be established until probate had been obtained, in cases in which the property comprised in a will amounted to more than one thousand rupees. But, as a matter of fact, he believed that the practice of making wills amongst the Hindú community was still exceedingly uncommon. He was not speaking of Bengal or the Presidency-towns of Madras and Bombay, where the Hindú Wills Act was already in operation, and where the Bill, therefore, would make no change whatever. He was speaking of the country generally; and he thought that it was within the mark to say that the number of Hindú wills executed throughout the rest of India in any one year would not exceed a few hundreds. The Muhammadans made wills more frequently; but the number of wills made by them, which comprised property exceeding one thousand rupees in value, could not be very numerous. To whatever extent this compulsory provision of the Bill did operate, its results could hardly be other than beneficial; for it provided the best safeguards that could be given against fraud and mistake, and ensured as far as possible that a testator's wishes should be duly executed.

Then, as regards letters of administration, the taking out of these had been left optional. If nothing whatever in the nature of letters of administration had hitherto been required in cases of disputed succession, it might be said that to give this optional power was a considerable change. But the law over the greater part of India already prescribed that in such cases application must be made to the civil Court for a certificate of succession by any person desiring to collect debts due to a deceased person, and declared that nobody should be compelled to pay such a debt to any person, except on the production of such a certificate. The only difference made by the Bill, if it became law, would be that instead of a certificate of succession, letters of administration would probably be applied for in future, as the position of an administrator would be

more secure and better defined than that of a certificate-holder. The Bill would improve the procedure in such cases, but would introduce no great substantial change.

He did not think that these alterations of the law were of such a startling nature as had been described. Such as they were, the Committee had certainly not tried to take the Local Governments and the public by surprise in regard to them. The republication of the Bill had been recommended expressly in order to allow time for their being understood and considered. Two months might not be sufficient to allow of objections being discussed and settled; but two months were long enough to show if objections existed which would make a further delay in passing the Bill necessary.

The Hon'ble SAYYAD AHMAD KHÁN BAHÁDÚR said:—"My Lord, I think this Bill in its amended form may safely be accepted by the Council. Section 149 of this Bill has clearly provided against all possible inconsistency with the Muhammadan substantive law relating to wills, as well as with the Hindú law on the subject.

"Section 12, no doubt, is important. It has made the possession of probates and letters of administration compulsory in certain cases. But this compulsion and other proceedings provided in the Bill are simply matters of procedure. They do not interfere with the substantive law of the Muhammadans and Hindús. The passing of this Bill will, I am sure, remove all uncertainty as to the position of executors and administrators of the property of a deceased.

"With these remarks I beg to support the motion."

The Hon'ble MR. BATTEN said that he understood that the Motion before the Council was that the Report of the Select Committee be taken into consideration. It appeared that the Committee recommended that, if no representations against the changes now made in the Bill were received within the space of two months, the Bill might be passed after the lapse of that period at Simla. It seemed to be the hon'ble Mr. Hope's desire not to oppose, but rather to intensify, the Motion before the Council; that was to say, he wished for a more prolonged consideration of the Bill as reported, in fact that there should be a period of gestation of nine months before the Council were delivered of it. He should vote for the Report being taken into consideration.

The Motion was put and agreed to.

BURMA SURVEY BILL.

The Hon'ble MR. RIVERS THOMPSON moved that the Report of the Select Committee on the Bill to provide for the demarcation and survey of land in British Burma be taken into consideration. He said that the Report of the Select Committee would show that, since this Bill was introduced into Council, very few amendments had been made in it. The Committee had been in communication with the Chief Commissioner of the Province, and at his instance an amendment had been made by the omission of the proviso which was originally attached to section 3. As originally prepared, the measure had been drawn for revenue purposes only, and it had been intended that all lands situated in towns, villages, cantonments or civil stations should be exempted from the operation of the Bill; but the Chief Commissioner reported that, in many of such places, lands existed which were liable to assessment of land-revenue and should be brought under the provisions of the Bill, which provided for the demarcation and surevy of land. The Committee had, therefore, accepted the Chief Commissioner's recommendation to omit the proviso to section 3. As a consequence, in section 19 words had been added which made appeals from proceedings in connection with boundary-disputes in the town of Rangoon lie to the Recorder of Rangoon and not to the Commissioner. The Committee had also made a material amendment in section 18, providing for an appeal where the Boundary-officer might refuse to take cognizance of any objection that might be urged before him: in such a case the Committee thought it right that an appeal should lie. He might say that the report omitted to mention that the Bill had been published in due course in the *British Burma Gazette*. It had been ascertained, however, from the Chief Commissioner, that publication had taken place in that Gazette, and therefore any objection on that ground would not be tenable.

The Motion was put and agreed to.

The Hon'ble MR. RIVERS THOMPSON also moved that the Bill as amended be passed.

The Motion was put and agreed to.

MULTÁN DISTRICT LAWS BILL.

The Hon'ble MR. STOKES introduced the Bill to declare the law in force in certain lands annexed to the Multán District and moved that it be referred to a Select Committee consisting of the Hon'ble Mr. Colvin and the Mover. He had no remarks to offer.

The Motion was put and agreed to.

The Hon'ble Mr. STOKES also moved that the Bill be published in the *Government Gazette, Panjáb,* in English and in such other languages as the Local Government thinks fit.

The Motion was put and agreed to.

VACCINATION BILL.

The Hon'ble SAYYAD AHMAD KHÁN moved that the Bill for giving power to prohibit the practice of inoculation, and to make the vaccination of children compulsory in certain Municipalities and Cantonments be referred to a Select Committee consisting of the Hon'ble Messrs. Stokes and Thompson, the Hon'ble Maháráj Jotíndra Mohan Tagore, and the Hon'ble Messrs. Colvin and Grant and the Mover. He said,—"My Lord, the Vaccination Bill, which I had the honour of introducing into the Council on the 30th of September last, has been published in the *Gazette of India*, and also in the local Gazettes in English as well as in the vernacular languages. The Local Governments have submitted their opinions and those of local officers as to the expediency of the proposed legislation. Some of the Municipal Committees and Societies have commented on the measure. All these opinions, remarks and papers are now before the Council.

"My Lord, on the first occasion when I advocated in the Council the expediency of making vaccination compulsory by legislation I said:—'I have carefully considered the difficulties which exist in putting such a law into practice; and I am aware that there are some parts of India which have not yet reached the stage when the enforcement of such measures would be advisable. The proposed Bill will, therefore, not be generally compulsory. It is not meant to be applicable to those parts of India which possess local legislatures, and its operation will be confined to such municipalities and military cantonments in British India as the Local Governments in their discretion deem fit to place under the proposed law.' I further remarked that the object of the proposed Bill was to provide a law to enable the Local Governments of those Provinces, which do not possess their own legislatures, to make vaccination compulsory in such places as they consider fit for the promulgation of such a law. I am glad to find that the opinions hitherto received from various quarters support my views; since some of the municipalities and cantonments are declared by the local authorities to be prepared to accept compulsory vaccination, while others are represented as less advanced, and not in such a state as to admit of such a law being safely enforced. The difference of opinions among the various local officers in regard to the expediency of rendering vaccination com-

pulsory is due to the variety of local circumstances which I had in view when framing the Bill now before the Council.

"My Lord, the legislation which I have proposed meets the objections of those who oppose it, and the wishes of those who support it; since one of the most essential features of the Bill is that its adoption is permissive. If the Bill is referred to a Select Committee, I shall be glad to adopt any alterations which the Select Committee may consider necessary, in accordance with Dr. Cunningham's suggestions, to restrict the power of the Local Governments in respect of enforcing the proposed law.

"My Lord, it has been said, as a reason against the passing of the Bill, that vaccination is gradually spreading, and that the prejudices of the people against it are giving way to the beneficial influence exercised by local officers. The statement, my Lord, on which this argument is based is no doubt correct; but I may be permitted to say that the circumstance, far from furnishing an argument against the Bill, strongly supports its policy. Even the greatest opponents of the proposed legislation do not maintain that the object in view is not desirable. The strongest argument against the proposed law is that there are still many amongst the people of this country who look upon vaccination either as unnecessary or objectionable. But in a matter of this kind the discussion resolves itself into the simple question, whether the indifference or opposition of a part of the community should be allowed to deprive the whole community of advantages which the truths of science and the conclusions of actual experience have made undeniable.

"My Lord, I am myself a Native of India, brought up under the same social circumstances and prejudices as those of my countrymen whose voice is raised against the proposed legislation. And at my time of life, my Lord, I hope I may confidently escape the imputation of arrogance in saying that I have lived long enough amongst my countrymen to have obtained a familiar insight into the laws which regulate their feelings and prejudices. I can emphatically say that the hatred which once existed against vaccination is a thing of the past, at least in the more advanced parts of British India. The opposition to vaccination, wherever it exists, is due either to the manner in which some of the underlings of the department conduct themselves, or to defects of system. Such being my views, I have no hesitation in saying that, if the causes of the opposition are removed by introducing better organization and more effective supervision, by providing facilities and by obtaining the co-operation of influential native gentlemen, vaccination will become more popular every day. But this result cannot be achieved without a legislative measure such as I have ventured to propose.

"The highest castes of Hindús have accepted vaccination. There is a memorial in favor of the Bill before the Council sent up by forty-eight of the most respectable Hindú citizens of the ancient city of Benares, a place which in the eyes of orthodox Hindús is still unsurpassed in sanctity and religious learning. To those forty-eight names I may be allowed to add that of Rájá Shimbhú Narain Singh Bahádur, a gentleman of great influence and high position in that city, and a Brahmin by caste. In a communication addressed to me he has strongly supported the policy of the Bill, and has expressed his wish that it may pass into law. It is true, as has been urged by some of the opponents of the Bill, that there are still in India many temples consecrated to the worship of *Mátá-Debí*, the goddess of small-pox, and that large numbers of people resort to these places of worship. But I feel sure that vaccination has never been regarded as interfering with the worship of this goddess or any of the ceremonies connected with it. The parents of vaccinated children perform the ceremonies of worshipping *Mátá-Debí* without the smallest feeling that a resort to the prophylactic against the disease in any way interferes with their religion.

"My Lord, I must confess I was in no small degree surprised when I read the speech of the President of the Anjumán-i-Panjáb and the communication which he has made to the Council. He seems to think that the natives of India were not aware of the source from which the vaccine lymph was taken, and that Dr. Cunningham's *Sanitary Primer* and the Bill now before the Council have, for the first time, supplied the information to the people. On this statement he has based his argument that the people will consider vaccination as interfering with their caste-prejudices.

"My Lord, I am not aware that the Government, in adopting its earliest measures to introduce vaccination, ever made a secret of the source from which the vaccine matter is drawn. I feel confident that it was never a secret to the people, nor ever regarded as doing injury to caste. On the contrary, inoculation was not unknown in India. It was called *chhopa*, while vaccination has ever since its introduction received the name of *gau-than-sitla*, which, literally translated, means cow-udder-small-pox. The name itself suggests the source from which the lymph was obtained, and there is, therefore, little foundation for the proposition that Dr. Cunningham's *Sanitary Primer* or the present Bill have, for the first time, enlightened the people upon the subject. I am in possession of two treatises upon the subject published by Dr. Pearson in the Hindi and Urdú languages in 1867, and intended for public distribution, which furnish minute information as to the source from which the vaccine-lymph is obtained.

"I should have dwelt more upon this point had I not felt that a full answer to the objection is to be found in a sentence which His Honour the Lieutenant-Governor of the Panjáb has recorded with regard to the Society's argument. His Honour observes:—

"'There is one point which is not noticed by the Society, and which has a practical bearing on vaccination, namely, that a child of the age at which vaccination is practised on it is not, according to Hindú law, liable to ceremonial impurity, and, therefore, even though vaccine may be impure to Hindús, the child would not be made impure by it.'

"My Lord, the practice of vaccination has gained footing in some native States also. I can speak of two Hindú States in the Panjáb. The history of Patiálá, written by its able minister, informs us that vaccination was introduced in the State in the Hindú year 1933, corresponding with the year 1876. The late Mahárájá had his own son vaccinated, and all the young children of the Minister's family were also vaccinated. I have trustworthy information that, in the State of Patiálá, no less than 55,618 children were vaccinated in three years. Similarly, in the State of Kapurthalá no less than 4,394 children were vaccinated in one year.

"My Lord, I now come to another important subject connected with the Bill, namely, the prohibition of inoculation. The majority of opinions which have been received are in favour of prohibitive provisions in this respect. When one member of a family is inoculated, others are also obliged to undergo the operation as a protective measure; and the appearance of small-pox is its necessary consequence. The reasons for prohibiting inoculation make it all the more necessary that every measure should be adopted to make vaccination prevalent; for the State should not deprive the people of one remedy without supplying facilities for adopting a better and a more efficacious substitute.

"My Lord, I do not wish to take up the time of the Council in dwelling upon the provisions of the Bill. They appear in the Bill itself, and will be fully considered, with reference to the valuable opinions that have been received, if the Bill is referred to a Select Committee. But I wish to mention the principles which have been prominent in my mind in framing the Bill. I have endeavoured to make its provisions as simple as possible, to provide facilities for their being carried out, to avoid everything likely to give offence to the feelings of the people, and lastly, to encourage, as far as possible, the co-operation of Native gentlemen in giving effect to provisions of the proposed law.

"My Lord, no one can hold stronger views than I do, that no measure relating to the welfare of the public should be adopted by the State without

due regard to the feelings of those to whom the measure relates. Whatever my own personal opinions might have been, I should not have ventured to seek the passing of a legislative measure like the one now under consideration, if I had felt that it would raise the opposition of the masses of the people of India, or that it would involve evils which would outweigh the advantages which can be expected from it. But the tenderest regard to the prejudices of the people does not prohibit the proposed legislation. The British rule in India has, for its guiding principles, the alleviation of human suffering and the protection of the weak and the helpless. Those principles have abolished the sacrifice of human lives at the altar of superstition, and put an effective check upon female infanticide. Who can deny that those evils were time-honoured institutions, and had become fixed habits of a portion of the population of India? Who can maintain that the State was not justified in adopting decisive measures to remove those evils? Who can maintain that the State in adopting those measures acted in opposition to the principles of toleration or humanity? And, my Lord, I feel that in advocating the measure now before the Council, I am not asking the legislature to act contrary to the principles upon which it has always acted. I am not asking the legislature to interfere with the religious prejudices of the people. I am not seeking the abolition of any of their time-honoured customs. I am asking the legislature to interfere in a matter which, to thousands of innocent and helpless children, is a matter of life and death. I feel that I am advocating the cause of humanity against the indifference o the majority, and the vague and unfounded prejudices of a limited section of the population. The ravages of small-pox are not now involved in uncertainty They are terrible both in their extent and their regularity. An instalment of a hundred thousand human lives is paid every year to the malady; and, my Lord, in view of this awful fact, I must confess that I find it difficult to conceive how any vague apprehensions of opposition, or the existence of unfounded prejudices, can have greater weight than the absolutely certain fact of the enormous loss of human life which the absence of a well-organized system of compulsory vaccination involves. The British rule, to whose guardianship the lives of millions are entrusted, has always felt itself called upon to adopt measures for preventing the loss of human life, and I feel that the legislation proposed by me, if sanctioned by the legislature, would only be an addition to the numerous instances of the policy of humanity which the British Rule in India has always pursued.

"My Lord, I move that the Bill be referred to a Select Committee consisting of the Hon'ble Messrs. Stokes and Thompson, the Hon'ble Mahárájá Jotíndra Mohan Tagore, and the Hon'ble Messrs. Colvin and Grant and the Mover."

The Hon'ble MR. GRANT said it was not without diffidence that he took it upon himself to oppose, in a question affecting the life and habits of the people, a gentleman who was himself a native of India, and whose opinion must command special weight owing to the prestige attaching to his distinguished career and character. In demurring to his authority, MR. GRANT felt that he was laying himself open to the charge—one not unfrequently made against Anglo-Indian officials—of being more conservative than those whose interests they sought to guard. But to that charge there was a reply which, if not altogether pleasant or satisfactory, was at least significant; and that was that, although the hon'ble mover of the Bill and those who thought with him might undoubtedly claim to represent the enlightenment and the intelligence of the country, whilst those who differed from him must admit that they were held back by the prejudice and superstition of the masses, yet unfortunately these latter made up by far the larger constituency of the two; and, however much the Council might regret their existence, they certainly could not afford to overlook or disregard them.

These were of course mere general propositions, and it might fairly enough be argued that in the Bill now before the Council the danger of ignorant opposition had been foreseen; and with that very object its operation had been limited to large towns, the population of which was presumably more enlightened and advanced than that of the country generally. He believed such an impression to be an entirely mistaken one. Unfortunately, it was from the larger towns and from the wealthier classes—whether because they were more independent in means and character, or better versed in what they believed to be the requirements of their religion than villagers—that most opposition had been experienced to the extension of vaccination. Probably all who had been concerned in promoting the cause of vaccination throughout the country would bear MR. GRANT out in this assertion; but, indeed, ample evidence in its support was forthcoming, if it were needed, in the papers now before the Council. Thus, he found that the Chief Commissioner of the Central Provinces wrote—

"In the Central Provinces, at all events, opposition to vaccination comes more from the well-to-do classes than from the poorer, who form the bulk of the population; and it seems to the Chief Commissioner questionable policy to frame a law which will place the higher classes in opposition."

And again—

"On this analogy most reluctance to vaccination would be experienced in towns, and the Chief Commissioner believes that considerable sections of the town-population would very much resent a law which will necessarily interfere with their domestic relations."

This opinion was confirmed by the Commissioner of the Haidarábád Assigned Districts, an officer whose views were entitled to much respect:—

"It (the Bill) means that compulsory vaccination is to be introduced into the largest towns and cities of India (for these alone are municipalities), inhabited by the highest and most influential classes. These are the very places into which it would be most dangerous to introduce a measure of the kind."

But then the Bill was not unprovided with other safeguards. It was permissive—permissive, that was to say, in the sense of permitting Local Governments to compel municipalities—and it was to be applied only to those Provinces which, having no Councils of their own, were unable to legislate for themselves. Certainly no measure could have been brought forward in a more moderate or modest manner. But, after paying the fullest possible tribute to the spirit in which it was conceived, surely the Members of the Council were not only entitled, but bound, to ask, what was the justification for introducing it at all? The *Indian* Provinces which it was intended to benefit—he said Indian, for Burma so differed in social habits from the rest of the Empire that it might for the present be left out of account—were the North-Western Provinces, the Panjáb, Oudh, the Central Provinces, Assam, Ajmer and Coorg. Of these the last three only showed any willingness to accept the Bill; and, whilst Ajmer and Coorg were insignificant in area and population, the Chief Commissioner of Assam only accorded a very qualified welcome to the measure. Indeed, he admitted that the native public generally would be vehemently opposed to it; and he would not avail himself of its provisions, except possibly in the single municipality of Shillong.

The larger Governments, namely, the North-Western Provinces with Oudh, and the Panjáb, followed by the Central Provinces, were strongly against the Bill. Thus, the Lieutenant-Governor of the North-Western Provinces says:—

"To declare vaccination compulsory would be apt to stimulate the dislike with which it is regarded by many, and would be a grave political mistake, as it will give a handle to mischievous agitators, by which they may work on the religious scruples of the unenlightened masses."

The Chief Commissioner of the Central Provinces stated that, in his opinion, "the proposed legislation was not necessary." The Lieutenant-Governor of the Panjáb "would have much hesitation in applying the provisions of the Bill to any town in his Province."

On the other hand, the hon'ble mover had referred to the opinions of well-known gentlemen, Hindú as well as Musalmán, to show that there was a general desire for vaccination; but if there really were such a desire, and it was

genuine and general, the question irresistibly suggested itself—what need could there be for compulsion at all?

Was the Council, then, to pass such a measure as this, which would be viewed with suspicion by all the ignorant and all the superstitious, and which would be misrepresented by all the designing and all the discontented, for the sake of the small outlying territories of Coorg and Ajmer, and for the single municipality of Shillong in Assam? In that case, our task would be, at best, one of supererogation; but surely this was not a time for trying experiments or playing with prejudices. Possibly, if the legislature were bent on it, it might suppress, or at any rate mitigate, small-pox, as the Government of this country had already suppressed *sati* and mitigated female infanticide. But, setting aside all question of the comparative gravity of the cases, it was an important point to remember that vaccination was now surely and steadily extending itself without legislative aid, and that anything like compulsion would immeasurably increase the opposition to it. In the interests, then, of vaccination itself, even if there were no other reasons, he should feel bound to vote against the motion now before the Council.

The Hon'ble MAHÁRÁJÁ JOTÍNDRA MOHAN TAGORE said that, although he was not in a position to speak with authority of the feelings and sentiments of the people of the North-Western Provinces, if he understood medical opinion aright, it ascribed the spread of epidemics of small-pox, in a great measure, to the practice of inoculation; and he therefore thought Government would be justified in passing a measure of this kind prohibiting the practice of inoculation. Inoculation was already prohibited in Calcutta and Bombay; and, if inoculation was prohibited, there ought to be a substitute for it. Besides, between inoculation and vaccination there could not be any doubt of the bulk of medical opinion being on the side of vaccination as by far the safer of the two. On that consideration he supported the Bill, remembering also that it would be of a permissive nature and would not interfere with the prejudices of the mass of the people.

The Hon'ble MR. HOPE said that he had very few remarks with which to trouble the Council on the subject of this Bill. Admitting the argument of the hon'ble Member who spoke before him, that inoculation was the cause of a large amount of small-pox, and if it was prohibited it was necessary to provide for compulsory vaccination instead, it appeared to him that the time had hardly come for going so far on either one way or the other. No one who understood these matters could refuse sympathy to the enlightened motives of philanthropy, of those especially of the Native Member of this Council, who came forward for

the purpose of mitigating the suffering of the people. But at the same time it was absolutely necessary that, in matters which affected the religious scruples of the masses, the Council should proceed with caution, and he believed that vaccination would be diffused a great deal faster if they did not attempt to run before they were well able to walk.

He did not consider this Bill, although technically permissive, as really and substantially so. Properly speaking, a permissive Bill would be a Bill which provided for the introduction of compulsory vaccination under one or other of two procedures. One was to follow the analogy of the procedure prescribed by Act XXVI of 1850, when municipalities were first introduced, which was that, whenever a sufficient number of respectable inhabitants of any town memorialized the Government that they desired the law of compulsory vaccination to be introduced, it should be introduced there, after hearing any objections that might be offered and finding out that such was really the desire of a majority of the respectable inhabitants of the place. The second mode of procedure was rather more stringent. It was that the Government, when it proposed to make vaccination compulsory in any town, should notify its intention and should allow a sufficient time to ascertain the wishes of the inhabitants. Of the two safeguards, MR. HOPE should prefer the former; but, unless some such restriction was introduced, he should not support the Bill.

The Hon'ble Sir ALEXANDER ARBUTHNOT observed that he had only a few words to say on this subject. He thought the Members of the Council must all have listened with great interest to the speech which had been made that day by the hon'ble mover of the Bill. His arguments appeared to Sir ALEXANDER ARBUTHNOT to be entitled to very considerable weight. But he confessed there was a great deal to be said on the other side of the question. Since this matter was last discussed in this Council, he had been greatly struck by the great extent, if not the preponderance, of opinion which had been brought forward in opposition to the measure. As he was listening to the speech of the hon'ble Mr. Grant, it occurred to him that, although it might be inexpedient so far to stop the measure as to prevent its being referred to a Select Committee, it would be very desirable, in the event of that reference being made, that the Select Committee should consider the expediency of introducing into the Bill some such limitations as those which had been proposed by the hon'ble Mr. Hope. SIR ALEXANDER ARBUTHNOT had not very recently referred to the debate which took place at Simla, and he had not a precise recollection of what he said on that occasion; but he remembered thinking then, and he thought so still more now, that it would be very desirable that the proposed measure should not be introduced in municipalities or in large

towns until the authorities which introduced it were satisfied that there was a very strong feeling, especially on the part of the influential Natives of the place,—of those who might be supposed to lead and to guide Native opinion,—in favour of the adoption of the measure. No substantive Motion had been made by the two hon'ble members who had spoken in opposition to the Bill. If he was in order in doing so, he would beg leave to move that the reference of the Bill to the proposed Select Committe should be accompanied by instructions to the Committee to consider the expediency of providing that the Bill should not be introduced into any municipality or military cantonment, unless the authorities were satisfied that there was a preponderance of Native opinion, so far as it could be ascertained, in favour of the application of the Act. He thought that if such a provision was inserted in the Act, coupled, as it would be, with the discretion which it might reasonably be hoped would be exercised by the various Local Governments and Administrations, no serious apprehension need be entertained as to the effects which would ensue from passing the Bill.

His Excellency THE PRESIDENT said that an hon'ble colleague had suggested whether it would not be desirable to omit the word "cantonments" from the Motion which had just been made. HIS EXCELLENCY believed that no Native community could exist in cantonments without the permission of the military authorities.

General the Hon'ble SIR E. JOHNSON said he thought it would be inexpedient to allow the majority in a large bázár within the limits of a cantonment to decide whether the law should be applied.

The Hon'ble MR. RIVERS THOMPSON said the discussion, whether the Act should apply to cantonments or not, would come up when the Select Committee's report was brought on for consideration. Possibly the Select Committee would omit the reference to cantonments altogether.

The Hon'ble SIR ALEXANDER ARBUTHNOT moved the following amendment:—

"That the reference to the Select Committee be accompanied by an instruction to the Committee to consider the expediency of providing that the Act should not be introduced into any municipality or military cantonment, unless the local authorities were satisfied that there was a preponderance of local Native opinion, so far as could be ascertained, in favour of the application of the Act."

The Motion as amended was agreed to.

DISTRICT DELEGATES BILL.

The Hon'ble MR. STOKES moved that the Report of the Select Committee on the Bill to make further provision for the grant of Probate and Letters of Administration in non-contentious cases be taken into consideration. He said that the only change made by the Select Committee, beyond the correction of mere errors in drafting, consisted in requiring that an application for probate should contain an estimate of the amount of the assets likely to come to the executor's hands. The reasons for this amendment were the same as those which he had just given, when referring to a similar amendment made in the Probates and Administration Bill.

The Motion was put and agreed to.

JHÁNSI ENCUMBERED ESTATES RELIEF BILL.

The Hon'ble MR. COLVIN moved for leave to introduce a Bill to provide for the relief of Encumbered Estates in the Jhánsí Division of the North-Western Provinces. He said: "I will explain, as briefly as I can, the nature of the evil to be dealt with, the necessity which exists for legislation, and the general outlines of the measure which I wish to introduce.

"The Jhánsí District, in Bundelkhand, consists of four parganas—Jhánsí, Gurotha, Mau and Moth, and lies between the great sub-Himalayan plain on the north and the high table-land of Central India on the south.

"The general circumstances of the district are not very different from those of the adjoining district of the North-Western Provinces. The people, in language, character and customs, are much the same. Their agriculture is not much more backward, if at all; and their soil is hardly less fertile. But in one respect there is an important difference between Jhánsí and the districts to the north of it; and that difference is greatly to its disadvantage. Except in one pargana, it has hardly any irrigated land at all. There are rivers and lakes in the country, but at present they supply little or no water to the fields; and the nature of the soil is unfavourable to the construction and working of wells. The people of Jhánsí are therefore dependent upon seasonable rain for their crops; and their harvests, the produce of which varies greatly from season to season, are exposed to great and constant risk.

"This absence of irrigation is generally admitted to be closely connected with the present distress of the landed proprietors of Jhánsí, and is a point which it is important to bear in mind.

"A few words are necessary, in the next place, as to the land-tenure of the district, which occupies a no less important place among the causes of its distress.

"The whole of Jhánsí has been under British administration since 1853 when Gangadhar Ráo, the last Native Ruler of the Jhánsí State, died. Under the Maráthas, the tenure of the land was raiyatwár, as was usual in Marátha States, *i. e.*, the land-revenue was taken from the individual occupier of the soil. The State was the only recognized landlord, and there was no distinction between rent and revenue. The Government collected its rents directly from the cultivators, with whom it dealt through certain headmen or representative raiyats. These headmen received a small allowance in money or land, which they shared with their kinsmen. They were not, in any sense of the word, landlords; nor were they responsible for the revenue, which usually did not even pass through their hands. They were only bound, in consideration of their allowance, to maintain and extend the area under cultivation, and to assist the ruling power generally in collecting its revenue. The mode in which the revenue was collected was not uniform. It differed with different rulers and at different times. But there was one characteristic which was common to nearly every mode of collection under the Marátha system, and that was that the demand of Government was never fixed for a term of years, but varied according to the produce. Officials were deputed by the Government who, either at each harvest or at the end of the year, made a valuation of the actual outturn of the crops, and raised or lowered the demand accordingly. It is said that this system was attended by great drawbacks, and I have no doubt that the practical working of such a plan under Marátha officials was not free from defects; but it possessed the great advantage of adjusting the revenue to the cultivators' means of paying. In a good year, they would pay more: in a year below average, less: in a very bad year, hardly anything at all. This was an advantage of the greatest importance in a country where the harvests, from their dependence on rain, varied greatly and were always precarious.

"Upon assuming charge of the country, the first change made was to extend to it the system of conferring proprietary rights upon the people and fixing the revenue-demand for a long term of years which had been so successfully followed in the North-Western Provinces.

"The officers who were entrusted with this duty, finding that there were no landowners, looked about for persons upon whom proprietary rights could be conferred, and for this purpose pitched on the headmen and those of their relations who were entitled to receive any share in the allowance made by the State. After a short time, a regular settlement for a term of years was made; and a certain portion of the cultivators of the country, namely, those who had been headmen, or were kinsmen of headmen, were recognized as proprietors, acquiring a new and valuable property thereby, and undertaking responsibilities of which, at the time, probably no one foresaw the consequences.

"Those consequences were simply disastrous. It may be thought strange, at first sight, that they should have been so. It was not unnatural to suppose that, in making such a change, a great benefit was being conferred. On the whole, the grant of proprietary rights had been a great benefit to the recipients of them, in the North-Western Provinces and Bengal. But the actual result throughout the greater part of Jhánsí has been the utter ruin of the proprietary class. Mr. Porter and Mr. LaTouche, two selected officers, were deputed two or three years ago to enquire into the condition of the three worst parganas—Moth, Gurotha and Mau—and they both agree in declaring that the people are now wholly destitute, without capital or income. There is ample evidence to show that this description, as applied to the proprietary class, is in no way exaggerated.

"Why have the grant of proprietary rights and the limitation of the demand of the State, which were beneficial elsewhere, been so mischievous in Jhánsí?

"Various causes, no doubt, have contributed to this result. In the first place, it was a mistake to introduce the alien zamíndárí system of the Doáb into a country where the tenure had been raiyatwárí for generations, and where (to quote from Mr. LaTouche) the holdings in most respects 'are now as purely raiyatwár as in the times of the Mahárathas.' It would have been far wiser, as observed by the North-Western Provinces Government in its orders on the settlement of Jhánsí, if the example set in certain parts of the Sagár and Narbada territories had been followed, and all independent cultivators of standing had been declared proprietors, each of his own holding.

"In the next place, the Jhánsí zamíndárs have suffered from extraordinary calamities since they passed under British rule. They began in

difficulties. Mr. Jenkinson, in his Settlement Report, has drawn a graphic picture of the general deterioration of the country, and the impoverishment of the people, at the time when the district passed into the hands of the British Government. Then in 1857 the Mutiny occurred, and the people suffered severely from the depredations of the Oorcha State and of the Ráni of Jhánsí; and, after the mutiny was over, they were compelled in many instances to pay over again to the British authorities revenue which had already been exacted from them by the Oorcha or Jhánsí troops. After this, in 1867, came a failure of crops, and in 1868 a severe famine, in which one-fourth of the whole stock of cattle in the district died, and the poorer classes emigrated and perished in large numbers. That famine was followed by several years of short harvests, and, in 1872, by a murrain, which carried off many thousands of their plough-cattle. In addition to the ordinary consequences to agriculture of such misfortunes, there is a special one in Bundelkhand. A peculiar weed known as *káns* grass springs up there rapidly in land thrown out of cultivation, and mostly in the best land. This weed is extremely difficult to eradicate, and for the years during which it retains possession of the ground it greatly impairs its productive value. The consequence of all the agricultural misfortunes which I have described was that this *káns* grass spread widely over the country.

"Much would be accounted for by such calamities as I have enumerated, but they are not enough by themselves to explain the present hopeless destitution of the zamíndárs. Other parts of the country have gone through misfortunes scarcely, if at all, less than these, and yet the power of the people to recover from them has not been so utterly destroyed. Causes more permanent in their effect than these misfortunes must have been at work to reduce the proprietors of the soil in Jhánsí to their actual state of chronic insolvency.

"It was supposed at one time that the settlement might have been pitched too high, but it has been shown by ample evidence that this is not the case.

"Again, it has been said that to confer proprietary rights on a portion of the people was to give them a new and easy means of raising money, and that, once in debt, they were irresistibly drawn into destruction by the money-

lenders and the action of our civil Courts. There is truth in this, no doubt; but it hardly serves to explain why the whole body of landed proprietors should be in such urgent and general want of money. It has been said, indeed, that the British revenue-officials were too exacting, and pressed too hardly for the revenue. This may possibly be true in a few instances, but I think that more evidence is necessary before such a charge against the former revenue-administration of the district can be fully established. Indeed, as it is admitted on all hands that the revenue is by no means excessive, it is difficult to understand how its collection by no other than the ordinary modes of coercion can have been a measure of much harshness and exaction. Besides this, during the last ten or twelve years at least, large sums have been foregone, and the Government and its officers have certainly not pressed unduly for the revenue. I believe that the principal causes which have plunged the great body of the landowners of Jhánsí into hopeless debt must be sought elsewhere. I speak with much diffidence on a matter regarding which there is room for great differences of opinion; but there are two causes which, operating together, seem to me to be sufficient to explain a great deal of the present debts and difficulties of the Jhánsí zamíndárs. The first is that, in changing from a zamíndárí to a raiyatwárí tenure, we considerably reduced the number of persons who were responsible for the revenue, and so decreased the security for it. The second is that we made the revenue, at the same time, far more difficult to pay, by changing it from a varying share of the produce, which depended on the harvests, to a fixed money-payment. We added, in fact, to the burden of the revenue and then laid it upon fewer persons. I think it is certain that, sooner or later, the newly-made zamíndárs must have broken down. It is no wonder that they did so, when, in addition to these two causes, they were overwhelmed by such a succession of calamities as war, famine, murrain and drought.

"I think that the present condition of the tenants in Jhánsí serves to confirm the probability of this view. They cultivate under precisely the same conditions as the landowners. They are exposed to the same losses from failure of rain. They have gone through the same misfortunes. The only point of difference between them and the zamíndárs is that they are no longer liable to the State

for its revenue as they used to be. In a bad year the tenants do not pay, and the landlords neither can, nor dare to, proceed to extremities with tenants whom it is not easy to replace. On the other hand, the landowners are between the upper and the nether millstone. They are crushed between the impossibility of withholding their revenue from the Government above, and the impossibility of extracting their rents from the tenants below. This difference seems to explain the fact, which is admitted by everybody who knows the country, that the raiyats of Jhánsí are fairly prosperous, whilst the zamíndárs are almost all beggars. A further confirmation may be found in the state of the villagers in the adjoining territories which belong to the States of Gwalior and Oorcha. They do not differ from the people of Jhánsí, except in holding on a raiyatwárí instead of a zamíndárí tenure, in the revenue being distributed generally instead of partially among the people, and in the payment being variable in amount instead of a fixed sum. These people are far from being in the same embarrassed state as the proprietors of Jhánsí. It is possible also that the freedom from distress of the Jhánsí pargana, as compared with the other three parganas, may be mainly due to a considerable portion of its area being irrigated, which makes the harvests less precarious, and the payment of a fixed sum more possible.

"I will turn now to the remedy which is proposed for the evils that I have described.

"Several schemes of relief have been suggested at different times. One, which was advocated with great vigour and ability by the late Mr. Pollock, a valued friend of mine, who was for some years Commissioner of Jhánsí, was that the State should buy back the zamíndárí rights which it had conferred, and restore the old raiyatwárí tenure; the interest of the capital so expended being provided for by the landlords' rental, which in that case would revert to the State. I believe that this scheme contained the elements of success, if it had been combined, as no doubt it would have been, with measures for adjusting the revenue-demand in some way to the outturn of each year.

"Besides this, various other plans have been suggested, all of which aimed more or less at the same principal object of reverting to the raiyatwárí system. It is unnecessary, however, to take up the time of the Council with

describing these; for the North-Western Provinces Government, on full consideration, has rejected them all, and has preferred a plan of its own. Under this plan, it will dispossess for a time the encumbered zamíndárs, will undertake the management of the embarrassed estates for them, will pay their debts and will hereafter restore their property to them, subject to certain conditions. The measure which I wish to introduce is intended to carry out this plan. The details of it will be fully described hereafter. At present it is, perhaps, enough to say that it will follow generally the provisions of the Sindh Encumbered Estates Act, adopting certain sections from the Broach and Kaira Act, and from the Act for the Relief of the Dekkhan Raiyats.

"As regards the part which is borrowed from the latter Act, I am bound to add that it will contain certain provisions which I opposed at the passing of that Act last year, and of the expediency and probable success of which I am no more persuaded now than I was then. I think it right to say this much. But as the principles contained in the sections referred to have been so recently affirmed by the Government of India, I have no intention on the present occasion of asking the Council to reconsider its decision upon the subject. Those principles have been fully accepted and adopted by the Government of the North-Western Provinces; and as I have been entrusted with a measure intended to carry out their views, I shall confine myself to endeavouring to give effect to the wishes of the Local Government to the best of my ability.

"The measure is intended to apply, in the first instance, to the Jhánsí District only, but power will be given to the Local Government to extend its operation to any part of the Jhánsí Division. Its main outlines will be sufficiently apparent from what I have already said. Its provisions will be similar to those which are usual in the case of encumbered estates. But all debts will be examined before liquidation, and an account taken, in the manner prescribed in the Dekkhan Agriculturists' Relief Act.

"The most important difference between the Bill which I desire to introduce and other similar measures lies in the manner in which it proposes to deal with an estate after it has been freed from incumbrances. Supposing the management to have terminated successfully, and the debts to have been paid off, the

zamíndár will not necessarily be restored to exactly the same position that he occupied before. His rights, if he recovers them, will thenceforward be neither transferable nor alienable in any way, but will remain, as now, hereditary. In short, he will be no longer absolute proprietor, but a hereditary tenant holding at a privileged rate.

"This future restriction of present rights rests upon the ground that, without the interference of the State the zamíndár would have lost his rights altogether, and that the Government, having saved them for him, may fairly annex such conditions to their restoration as seem proper in his interest. It may be added that, when the debts of the proprietors are so burdensome as to prevent them from paying their revenue, they have failed to fulfil the contract in consideration of which proprietary rights were conferred upon them, and have forfeited those rights. It must be remembered also that any zamíndárs who may apply voluntarily for the benefits of the Act may fairly be presumed to be consenting parties to this limitation of their future rights.

"These are the main features of the Bill. It will be seen that it is proposed to confer very large powers upon the Local Government and its officers, larger than those conferred by the Sindh, Chutia Nagpúr, Broach and Kaira, and Dekkhan Agriculturists' Relief Acts. It may be observed, in justification of this, that very large powers will be necessary for the success of the scheme. It is no easy task which the North-Western Provinces Government are going to attempt in undertaking the direct management of such a vast number of petty and encumbered estates, and in endeavouring to release from debt and restore to prosperity so large a section of the whole agricultural population of these distressed parganas.

"A few figures taken from the correspondence will make this clear. The total number of proprietors in three of these parganas is probably not less than 6,000. Of these, it may be said that three-fourths are in debt. Eliminating on the one hand those who are hopelessly insolvent, and on the other hand those whose debts are not so heavy as to require interference, it is quite possible that some 2,000 estates may be thrown upon the hands of the Government.

These estates will be scattered over some hundreds of square miles and they will all be very small; for the average profits of an estate in Jhánsí do not exceed Rs. 50 per annum. They are also exceedingly embarrassed, for the interest on the debts in these three parganas is estimated to exceed the profits of the encumbered estates by nearly Rs. 80,000 per annum. Now, not only have those debts after due scrutiny to be liquidated, but the cost of management must be provided, efforts must be made to improve the estates, and, in some cases, an allowance granted for the support of the excluded proprietors.

"These figures will give some idea of the great difficulty of the task which the Government of the North-Western Provinces, in its desire to relieve the distress in Jhánsí, is willing to undertake. It has satisfied itself that, with the powers which it asks for, the task is not impossible; but it is certain that large powers will be necessary, and I trust that none which can be legitimately conferred upon it for the purpose in view will be withheld.

"In conclusion, I have only to say that the importance of modifying the revenue-system of Jhánsí, and of adjusting it for the future in some way to the variations in the annual produce of the harvests, has not escaped the attention of the North-Western Provinces Government; and the question, I believe, is now under consideration and discussion. Personally, it seems to me that no scheme for relieving the distress of the proprietors in Jhánsí can be permanently successful which does not provide for this. In the oldest settled part of the North-Western Provinces, where rents have been paid in cash for half a century, there are particular fields and plots of land which no tenant will take at a fixed annual rent, but only on an engagement to pay a certain share of the produce, whatever that produce may be. The reason in such cases is that the yield of those fields, from local causes, such as exposure to inundation, diluvion, or the like, is so precarious that no one will take a lease of them at a fixed yearly rent. I believe that parts of the country, like Jhánsí, which have no irrigation and are dependent for their crops upon the rain from heaven, are in a like predicament; and that a fixed revenue for a term of years can never be realized from them (especially when the proprietors are small and needy) unless it be pitched below the due share of the State in average years, and greatly below it in years of prosperity. The only possible way of securing a

fair contribution for the State in such cases is to make the demand vary with the produce.

"When the revenue-system is being modified, a point which may deserve enquiry is whether the basis on which the revenue now rests may not be widened and rendered more secure, by restoring to the tenants of our day some of the responsibility in respect of the revenue which in Marátha times they shared with those who are now proprietors. The present scheme of the North-Western Provinces Government will result, in part at least, in restoring a raiyatwárí tenure. So far as it does that, it will only be an extension of it to make cultivators of standing responsible for their fair quota of revenue.

"With this explanation I have to move for leave to introduce a Bill for the relief of encumbered estates in the Jhánsí Division of the North-Western Provinces."

The Motion was put and agreed to.

MERCHANT SHIPPING BILL.

The Hon'ble MR. STOKES presented the Report of the Select Committee on the Bill relating to Merchant Shipping.

TRADE-MARKS BILL.

The Hon'ble MR. STOKES asked leave to postpone the presentation of the Report of the Select Committee on the Bill to provide for the registration of Trade-marks.

Leave was granted.

ADJOURNMENT OF THE COUNCIL.

His Excellency THE PRESIDENT said he had hoped to have been in a position that day to adjourn the Council till tomorrow for the purpose of enabling his colleague Sir John Strachey to make his Financial Statement. Unfortunately, it had not been found possible to prepare the Financial Statement so rapidly as that; but HIS EXCELLENCY had ascertained that his colleague would be

prepared to make his Statement next Tuesday, and he therefore adjourned the Council to Tuesday, the 24th instant, at noon.

The Council adjourned to Tuesday, the 24th February, 1880.

D. FITZPATRICK,

Secretary to the Government of India,

Legislative Department.

CALCUTTA;
The 20th February, 1880.

Government Central Press.—No. 885 L. D.—2-6-80.—250.

Abstract of the Proceedings of the Council of the Governor General of India, assembled for the purpose of making Laws and Regulations under the provisions of the Act of Parliament 24 & 25 Vic., cap. 67.

THE Council met at Government House on Tuesday, the 24th February, 1880.

PRESENT:

His Excellency the Viceroy and Governor General of India, G.M.S.I., *presiding.*

His Honour the Lieutenant-Governor of Bengal, K.C.S.I.

His Excellency the Commander-in-Chief, G.C.B., G.C.S.I., C.I.E.

The Hon'ble Sir A. J. Arbuthnot, K.C.S.I., C.I.E.

The Hon'ble Sir J. Strachey, G.C.S.I., C.I.E.

General the Hon'ble Sir E. B. Johnson, R.A., K.C.B., C.I.E.

The Hon'ble Whitley Stokes, C.S.I., C.I.E.

The Hon'ble Rivers Thompson, C.S.I.

The Hon'ble Sayyad Ahmad Khán Bahádur, C.S.I.

The Hon'ble T. C. Hope, C.S.I.

The Hon'ble B. W. Colvin.

The Hon'ble Mahárájá Jotíndra Mohan Tagore, C.S.I.

The Hon'ble G. H. M. Batten.

The Hon'ble C. Grant.

The Hon'ble E. C. Morgan.

The Hon'ble H. J. Reynolds.

TRADES AND PROFESSIONS TAX BILL.

The Hon'ble SIR J. STRACHEY moved that the Resolution of the Council of the 24th December last, referring the Bill to impose a tax on Trades and Professions to a Select Committee, be cancelled. He said—

FINANCIAL STATEMENT.

"1. MY LORD, I have now to lay before the Council the Financial Statement for the coming year 1880-81. It takes what has become the somewhat unusual form of a speech by myself, instead of a Resolution published in the Gazette. I shall state to the best of my ability all facts necessary to enable the Council and the public fully to understand the present condition and apparent prospects of our finances.

"I propose in the first place to give a summary of the main facts and figures for the year 1878-79, for the year 1879-80, now about to close, and

for the coming year 1880-81, and to reserve for a later part of my statement the observations which I may wish to make upon some of the more important questions of our financial policy.

"2. The Council will see, from the Abstract Statements which have been laid on the table, that a few changes have been made in the forms of the accounts.

"New major heads have been opened to show separately the revenue from *Registration* and the expenditure on that department of the administration.

"The *Guaranteed* and *State Railways* are now shown together under the single head *Railways*. The purchase of the East Indian Railway by the State, involving its transfer from the category of guaranteed to that of state railways, has made comparisons of the current estimates with the past accounts in each separate category impossible; and a like disturbance will ensue on the acquisition of other lines constructed by private capitalists under a guarantee of interest from the public revenues. Moreover, negotiations are already in progress for the working of the Indus Valley State Railway by the Sindh, Punjab, and Delhi Railway Company. It would be difficult to distinguish between the transactions of the two railways under one management. Similar arrangements for the management of other state railways are likely in the future.

"For like reasons, the transactions with the *Madras Canal and Irrigation Company* will henceforth be entered under the major head, *Irrigation and Navigation*, under which head the cost of agricultural works (drainage and embankments) will also, hereafter, be shown.

"Thus the public works heads of account will now be *Railways, Irrigation and Navigation*, and *Other Public Works*.

"3. In March last the Regular Estimate for 1878-79 showed a probable surplus, on the ordinary Account, of £1,300,000; the actual surplus was £2,044,391, or £744,391 better than the estimate. The differences between the Accounts and the Regular Estimates are for the most part unimportant, and there are not many of them which now call for remark.

"The net cost of the war in Afghanistan in 1878-79 was £676,381, a close approximation to the estimate of £670,000 made last year. Against this must be set the gain, the amount of which cannot be exactly stated, under the heads of *Railways* and *Telegraphs*. We estimate at £575,000 the ultimate net total cost of the operations in Afghanistan recorded in the Accounts of 1878-79. The sum of £313,420 was spent on *Famine Relief*.

"4. Compared with 1877-78, the Revenues of 1878-79 show an improvement of £6,238,393, of which, however, £2,400,331, under the head of *Provincial Rates*, for the first time incorporated in these accounts, is nominal. The largest increase was under *Land Revenue*, £2,460,919; the loss under this head in 1877-78, in consequence of famine, had been very large. There was a saving of £5,032,355 in *Famine Relief*; there was an increase of expenditure of £1,705,767 under *Loss by Exchange*, and £1,339,281 under *Public Works*. The apparent increase under *Public Works* is explained by the transfer of charges in the earlier year from this head to that of *Famine Relief*, and does not represent a real fluctuation of Public Works expenditure. Altogether the expenditure of the year exceeded that of the previous year by £650,915. The net result is £5,587,478 better than the result of 1877-78.

"5. Thus the financial outturn of 1878-79 was very satisfactory; with the help of the additional taxation imposed in that and in the previous year, amounting to £1,227,891, of which £313,420 was spent on Famine Relief, the true surplus of the year exceeded the amount of £2,000,000, decided to be necessary to meet our obligations on account of famine, and to leave a margin for other contingencies; and this result was obtained, notwithstanding the expenditure on the war, and the remission of the Inland Sugar Duties and some of the Customs Duties on cotton goods and other articles. The standard at which, for ordinary times, the Government aims, namely, a surplus of £2,000,000, less any expenditure on Famine Relief and exclusive of extraordinary charges such as those for great military operations, would have been attained if the accounts had shown a surplus of only £1,010,199, or £1,034,192 less than the actual surplus.

"6. I see only one drawback to entire satisfaction with these results; some of the capital expenditure under productive public works, as, for example, that on the Indus Valley and Punjab Northern Railways, cannot at present be regarded as directly reproductive. The works themselves possess the highest value; and for the future, as the Council is aware, no expenditure which is not really and directly reproductive is to be excluded from the comparison upon which the Surplus or Deficit of the revenue is ascertained. It will be seen later on that we are acting strictly on this principle in the present and coming years.

"7. I come now to the Regular Estimates for the present year, 1879-80.

"It is now expected that the revenue will amount to £67,583,000, or £3,021,000 more than the original estimate, and that the ordinary expenditure

will be £67,464,000, or £1,507,000 more than was estimated. Thus, instead of a deficit of £1,395,000, with which, when our budget estimates were framed, we expected that the present year would close, our estimates now show a surplus of £119,000.

"8. The original estimates provided for an additional military expenditure of £2,000,000 for the war in Afghanistan; if the war had ended with the treaty of Gundamak, I believe that this estimate would not have been exceeded; but, in consequence of the renewal of hostilities, the estimated additional charge has risen to £3,216,000. In addition to this amount, we have had to undertake the construction of railways on our frontier. I shall have to speak of them further on; but in the present year they are estimated to cost £1,670,000. Thus the total provision on account of the war has now been increased to £4,886,000. With the exception of £230,000 on account of the Railway from Jhelum to Rawal Pindi, which is included under the head of *Railways*, the whole of this sum, under orders from the Secretary of State, is charged against *Army*. It was a question whether they ought not to have been included under the head of *State Railways*, and as they will undoubtedly, quite independently of their present military importance, possess great and permanent value to the country, much was to be said in favour of this view. But, as their construction was primarily due to the war, it was decided to include their cost in the war expenses. The result will be to exaggerate the apparent amount of our military expenditure.

"An expenditure of £10,000 upon *Famine Relief* was estimated; this, on account of distress in parts of the Bombay Presidency, has been raised to £99,000. On the other hand, the Railway and Telegraph receipts are better, by reason of the war, to the extent of about £300,000.

"9. Thus, but for war and famine, the Regular Estimates of the present year would have shown a surplus revenue of about 4¾ millions sterling. The taxes imposed in 1877 and 1878, to enable us to discharge our obligations in time of famine, will, it is estimated, yield £1,184,000; and, if we deduct the sum of £99,000, actually spent on famine relief, there will remain of this revenue £1,085,000. To this extent, the new taxes have had the effect of preventing debt. Making allowance for other abnormal items on both sides of the account, the true surplus of the year for comparison with the standard surplus of £2,000,000, at which we aim, will be about £4,160,000. This surplus, if it had been actually obtained, would have been much in excess of the whole expenditure on productive public works, which is estimated at £3,700,000.

"If present prospects are fulfilled, the financial outturn of the present year 1879-80 will leave nothing to be desired.

"10. The most important variations from the original estimates are the following:—

"*Land Revenue*.—Improvement, £150,000; more than half of this has been collected on account of arrears of former years, and the increase is due to the increased prosperity of the country.

"*Salt*.—Net improvement £362,000; this also is highly satisfactory, as showing a general increase of consumption.

"*Opium*.—Net improvement, £1,900,000. In September last the duty on Malwa Opium was raised by Rs. 50 a chest; the revenue from Opium this year has been unprecedentedly large.

"*Assessed Taxes*.—Decrease £93,000. This is the result of the orders given during the year for the exemption of the smaller incomes from taxation.

"*Stamps* have improved by £114,000. The stamp revenue has been constantly increasing; during the last seven years it has risen from £2,516,400 in 1872-73 to £3,090,000 in 1879-80, or by £573,600.

"Under no head of the revenue has there been any serious decrease.

"11. On the expenditure side of the account, the following are the chief variations from the original estimates:—

"*Interest on debt*.—Decrease £389,000; the chief saving is in the discount on the loan of March 1879.

"There has been a satisfactory increase in the Savings Bank Deposits, which now exceed £2,000,000; in December last new rules were issued increasing the rate of interest from $3\frac{3}{4}$ to $4\frac{1}{8}$ per cent., and for preventing trouble to depositors.

"*Post Office*.—Increase £63,000. The new contract with the Peninsular and Oriental Company came into force in February 1880. The yearly subsidy has been reduced from £430,000 to £360,000; the efficiency of the service has been increased, and the rates of postage to Great Britain have been reduced. Post cards costing $\frac{1}{4}$ anna each were introduced in April 1879, and are already so popular that it is difficult to supply the demand.

"In *Telegraphs*, the excess of expenditure over receipts will, this year, be only £6,000; there has been a satisfactory growth of revenue, amounting to £145,000, of which, however, £50,000 is attributed to the war.

"*Stationery and Printing.*—Decrease of expenditure £99,000; this is to some extent nominal. Supplies will, in future, be largely bought in India, instead of in England.

"*Superannuations.*—Increase of net expenditure, £168,000; this is owing to the reduction of Public Works establishments, to which I shall have again to refer.

"Including an expenditure of £230,000 on the Jhelum and Rawal Pindi line, *Railways* are worse by £204,000, of which, however, £150,000 appears as a transfer under *Gain by Exchange*. If these adjustments are made, the Railways show an improvement of £176,000. But the Railways, and especially the Great Indian Peninsula and the Oudh and Rohilkund lines, have not been as prosperous as, at one time, we hoped they would be.

"*Public Works.*—There has been a saving of £747,000, to which I shall refer again.

"*Provincial and Local Surpluses.*—Net surplus £265,000. Improvement £456,000.

"There was a like improvement of £469,000 in the accounts of 1878-79, as compared with the regular estimates. The provincial and local balances at the end of 1879-80 are now expected to exceed the sums last estimated as follows:—

	Provincial	Local.	Total.
	£	£	£
Now estimated	1,331,800	1,336,700	2,668,500
Estimated last year	837,000	716,900	1,553,900
Better	494,800	619,800	1,114,600

"This result is the more remarkable and satisfactory in that, during the year, the Local Governments agreed to contribute from their balances in special aid of the imperial treasury the sum of £670,000, half of which, £335,000, is charged in the accounts of the current year. The other half will be charged in 1880-81. The reduction of their expenditure on public works and the general improvement of their provincial resources has enabled the Local Gov-

ernments to afford, this timely help to the general finances with little apparent difficulty.

"The *Army* shows an increase of £2,768,000; which I have already noticed. Apart from the war, the regular estimate is for a net expenditure of £15,487,000; the excess of £112,000 over the original estimate being due to high prices.

"*Exchange* shows an improvement of £1,010,000; the original estimate was for the remittance to the Home Treasury of £15,000,000 at an exchange of 1*s.* 7*d.*; it is now hoped that £15,750,000 will be remitted at an average rate of 1*s.* 8*d.*

"*Productive Public Works*, on which £3,700,000 was spent, show a small increase; 511 miles of railways have been opened for traffic during the year. At the end of the year there will be 8,724 miles in use and 1,462 under construction. I shall speak again of the frontier railways. Great progress has been made during the year with the Rajputana Line. The Lines in Bengal have been completed, and fair progress has been made on the Line from Nágpúr to Ráipúr.

"*Irrigation Works* show an expenditure of £797,000. In Madras, much progress was made with the Godaveri and Kistna Delta and other works. In Bengal, the Orissa project, so far as the works have been sanctioned, approaches completion. In the North-Western Provinces and Punjab, much useful work has been done on the Upper and Lower Ganges Canals, and on the Western Jumna and Sirhind Canals.

"Satisfactory progress has been made with the Madras Harbour Works.

"*Revenue and Working expenses of Productive Public Works* show an improvement of £638,000, due mainly to the inclusion, so long desired, of the land revenue in the Madras Presidency attributable to these works.

"12. The details of the Loan operations of the year are as follows:—

"*Debt incurred.*—Net £5,131,000. More than estimate £804,500, of which £540,700 was in India, where less was paid off than was expected, and £263,800 in England, where £270,016 less than was estimated in March last was raised at the close of 1878-79.

"The loan of £5,000,000, which was notified on the 13th March 1879, was subscribed at an average of 95-0-6 per cent. The discount upon it charged in the accounts of 1879-80 was £247,239. Of the outstanding portion of the 5½

per cent. Loan of 1859-60, £1,123,900 will be paid off during the year, leaving £105,600 still due. Other outstanding notes, amounting to £2,400, have been discharged. The net sum borrowed is thus £3,850,000.

"13. A Local Debenture Loan of £45,020 was raised for the Cawnpore-Farakhábad Light Railway at 4 per cent. interest with share of profits.

"A Local Debenture Loan of £50,000 was offered at Nágpúr in November at par at 4½ per cent. interest, with half the percentage of surplus profits on the Nágpúr-Ráipúr Railway. The subscriptions amounted to £42,700, of which £17,300 is payable this year and £25,400 next year.

"The Secretary of State received £2,000,000 without interest from Her Majesty's Imperial Government under the Indian Advance Act, 1879: but on the other hand he repaid sterling debt amounting to £736,200.

"14. Thus the net debt incurred amounted to £5,131,000, or, excluding the loan from Her Majesty's Government, £3,131,000. Including railway capital transactions, savings bank deposits, service funds, loans to native states, &c., and the repayment of such loans, the net amount borrowed in 1879-80 was, apart from the £2,000,000 advanced as aforesaid under the Indian Advance Act, £3,523,000.

"The equation of the year 1879-80 may accordingly be stated thus—

	£		£
Borrowed ...	5,523,000	Net expenditure ...	3,581,000
Net other receipts ..	148,000	Balances decreased ...	2,090,000
	5,671,000		5,671,000

"15. The price of public securities has risen rapidly during the year. The price of 4½ per cent. paper has for some time been more than 101, and that of 4 per cents. now exceeds 94.

"16. I come now to the Budget Estimates for the coming year 1880-81.

"The revenues are estimated at £66,746,000. The ordinary expenditure is estimated at £66,329,000; we expect therefore a surplus of £417,000.

"17. The estimated expenditure includes excess military charges, amounting to £4,360,000, of which £2,090,000 is for military operations proper, and £2,270,000 for the frontier railways; against this, there will be a set-off on account of improvement in the Railway and Telegraph revenues, estimated to £300,000, leaving the net charge for the war on the estimates of 1880-81 at £4,060,000.

"But for the war expenditure, the true surplus of the year, to compare, as before, with the standard surplus of £2,000,000, would not have been less than £4,000,000.

"The estimated revenue includes £982,000 obtained from the taxes imposed in 1877 and 1878, to enable the Government to meet its famine obligations.

"18. The estimates for 1880-81 thus show an extraordinarily satisfactory result, far surpassing the standard at which two years ago the Government of India aimed. The result is the more satisfactory, because the total estimated expenditure on the productive public works of a doubtful character, to which I have before referred, is only £398,000.

"19. I will notice a few only of the heads in which the Budget Estimate differs from the Regular Estimate of the present year.

"20. *Assessed Taxes* and *Customs* show a decrease of revenue, to which I shall refer later on. I may, however, notice here that, in February 1879, the Hon'ble Mr. Hope and Mr. J. D. Maclean were appointed Commissioners to report *inter alia* whether it was desirable to revise the tariff valuations yearly, and, if so, how such revision should be made. The Commissioners recommended a yearly revision of the tariff values, and advised that the materials for such revision should be systematically collected throughout the year at the ports of Calcutta, Bombay, Madras, Rangoon, and Kurrachee, and collated in Calcutta, in February of each year, by a Committee of three persons to be appointed by the Government of India, one of them being *ex-officio* the Collector of Customs at Calcutta. The first Committee of revision was accordingly appointed in January last; the Hon'ble Mr. Hope, and, on the nomination of the Bengal Chamber of Commerce, Mr. J. W. O'Keefe, a member of the firm of Messrs. Kettlewell, Bullen, and Company, consented to serve upon it, with Mr. J. D. Maclean, Collector of Customs, Calcutta. The Committee has just completed its revision, which is estimated to produce an increase of £15,000 to the Customs revenue.

"21. *Salt* shows an increase, of which also I shall speak separately.

"22. The net revenue from *Opium* is estimated at £7,250,000; this estimate, although £1,150,000 less than the amount we expect to receive in 1879-80, is largely in excess of any estimate made in any previous year. Although the actual net revenue of the last two years has been more, it is not thought prudent to take the estimate for the coming year at a larger amount than that which I have stated.

"The Bengal crop of 1878-79 yielded 29,876 chests 75 °/₀ consistence and 20,175 chests 70 °/₀ consistence. Thus the stock in hand on the 1st January 1880 was 38,179 chests 75 °/₀ consistence, and 43,404 chests 70 °/₀ consistence, total 81,583 chests. The provision for sale during 1880 is 28,200 chests of each consistence, so that the reserve on the 1st January 1881 will be 9,979 chests 75 °/₀ consistence, and 15,204 chests 70 °/₀ consistence, total 25,183 chests.

"23. Under *Telegraphs* we estimate for the first time that the revenue will exceed the expenditure.

"24. *Railways.*—Net revenue £794,000, of which £250,000 is attributed to the military operations in Afghanistan. Improvement £1,080,000.

"Of this large amount, £268,337 is nominal, owing to only three-quarters of the East Indian Railway annuity falling due in the financial year 1880-81, against which, however, may be set a payment of £235,000 due to the Company under the old contract for the second half of 1879. The purchase of the East Indian Railway is expected, upon the estimates of 1880-81, to produce a net revenue of £300,000 in excess of what it would have yielded under the old system. The guaranteed Railways will, it is hoped, in the prosperous season which we anticipate, yield £405,000 more than this year.

"From the State Railways an improvement of £231,000 is expected from increased mileage open and from development of traffic.

"There is no doubt always an element of speculation in the estimates of Railway revenues; but an increasing return may fairly be expected from the constantly increasing capital expenditure on the construction of these works, which by the end of 1880-81 will amount to £130,000,000, or 144 crores of rupees.

"The chief event of the year is the purchase of the East Indian Railway for the State with effect from the 1st January 1880. The price paid was £37,200,000. I need not repeat the details of the new arrangements under which the line has been purchased, and under which it is to be worked.

"On the expenditure side of the account an improvement is expected of £242,000 under *Interest;* this partly arises from the proposed conversion of the 5 per cent. sterling loan, and is partly nominal.

"25. Under *Administration* there is a decrease of £30,000, in consequence of various reductions in Imperial Establishments.

"26. The grants for 1880-81 for *Ordinary Public Works* are less than those for 1879-80 by £597,000; the grants for *Productive Public Works* have been reduced by £1,000,000. There is thus a total gross reduction in Public Works expenditure of £1,597,000, of which the saving in establishments is estimated at £247,000. Against this, however, must be set the special grant of £230,000 under *Railways* on the Jhelum and Rawal Pindi line.

"The reduction in the ordinary expenditure on Public Works, apart from establishments, is more apparent than real; for the actual expenditure in past years has never exceeded the amount granted for 1880-81. I shall again refer to the question of expenditure on Public Works.

"27. I have already spoken of the *Army* expenditure. Apart from the war, the estimate stands at £15,330,000. According to our present accounts and estimates, the net cost of the war from 1878-79 to the end of 1880-81 will be about 9¼ millions, of which about 3¾ millions is for the railways, and 5½ millions for military operations. The estimates of the cost of the war must of course be to a great extent speculative; but they have been prepared with much care; and their accuracy up to the present time is highly creditable to Major Newmarch and the Military Department. There is no reason to suppose that they err on the side of being too low.

"To what extent it will be found hereafter that stores, chiefly camp equipage, have been expended and wasted and lost, we cannot possibly know accurately until the war is over; but every thing bought for the war is included in the estimates, and the reserves in our arsenals are being maintained at their proper standard, the cost being charged, for the present, as current expenditure.

"28. Our estimates show under *Loss by Exchange* a net loss of £3,174,000, being an increase on the regular estimate for the present year of £310,000; in 1880-81 it is proposed to remit £16,900,000; the expenditure of the Home Treasury will be largely increased by the payments for stores for the frontier railways. We assume that the average rate of exchange will be the same as that of the present year, or 1*s.* 8*d.*

"29. The rate of exchange for the adjustment of the public accounts between the English Treasury and India has been fixed at 1*s.* 8½*d.*

"30. *Productive Public Works (Capital expenditure).*—Grant £3,312,000. Decrease £388,000. The grant is thus distributed :—

		£
Irrigation and Navigation	...	630,000
Madras Harbour (besides £50,000 granted under 34, *Other Public Works*)	.. . ...	70,000
East Indian Railway ...	... ...	630,000
Other State Railways ...	.. ...	1,982,000
TOTAL	...	3,312,000

"This grant is made in strict accordance with the conditions prescribed by the Secretary of State as follows :—

	£
Fixed grant	2,500,000
Saving in 1879-80 re-granted	182,000
Capital expenditure on the East Indian Railway	630,000
TOTAL ...	3,312,000

"It is hoped that 988 miles of railway will be opened for traffic in 1880-81. This will complete the communication between Bombay and the North-Western Provinces through Rajputana. Good progress will be made towards the completion of railways and works of irrigation already begun, but the funds at our disposal for productive works are now so small that we cannot commence in the coming year any new works of magnitude. In Madras the chief outlay on irrigation works will be in the Godaveri Delta. In Bombay and Bengal the sanctioned works will be nearly all completed. In the North-Western Provinces the principal work will be on the Lower Ganges Canal. In the Punjab the weir at the head of the Sirhind Canal and the remaining large masonry works will be nearly finished; the new main line of the Western Jumna Canal will probably be opened, and the new Delhi branch will be well advanced.

"It is hoped that the Madras Harbour works will be finished in 1880-81. It was not possible to grant on this account more than £70,000 under the head of *Productive Public Works*, but the completion of the work being very important, this amount has been supplemented by a grant of £50,000 under the ordinary head.

"31. *Revenue and Working expenses, Public Works.*—Net revenue £318,000. The improvement is under Railways.

"32. I now come to the important subject of the provision of the Ways and Means for the service of the ensuing year.

"33. In this respect the responsibility of the Government of India is confined chiefly to the requirements of the public service in India Its direct concern with the provision of Ways and Means to meet the demands of the Home Treasury is limited to the remittance of the amount for which the Secretary of State intimates his intention of drawing bills during the year. The Secretary of State has resolved to raise, in this way, during 1880-81, the sum of £16,900,000. Owing to the heavy estimated expenditure at home for the frontier railways (£360,000 in 1879-80, and £1,070,000 in 1880-81), this large sum will not much exceed the current requirements of the Home Treasury. The Secretary of State could not therefore frame his requisition upon us for less than £16,900,000; but he has authorised the Government of India to state that his drawings may be reduced if the demand for his bills upon India proves insufficient.

"34. According to present prospects, the balances in the treasuries in India on the 31st March 1880 are expected to amount to Rs. 14,19,00,000. The surplus of Imperial revenue in India during 1880-81 is estimated at Rs. 12,88,68,000, or, deducting from the expenditure the loss by exchange on the Secretary of State's bills, Rs. 16,26,68,000. We expect to receive in India the sum of Rs. 1,01,38,000 for remittance to England, and, in the shape of Savings Banks and Service Funds Deposits and recoveries of Railway Capital, Rs. 56,15,000. Besides the Secretary of State's bills, provision must be made for the estimated deficit in the Provincial and Local revenues of Rs. 11,60,000 and for the net disbursement of Rs. 19,50,000 on the Remittance and Deposit Accounts. Thus, including Rs. 20,28,00,000 for the Secretary of State's bills, we have to contemplate a liability of net Rs. 20,59,10,000, against which we have net assets amounting to Rs. 17,84,21,000, showing a deficiency of Rs. 2,74,89,000.

"35. The Government of India has had to consider whether the whole or any part of this sum should be provided from the balances, or whether it shall raise the whole or any part of it by a loan. After due deliberation we have resolved to adopt the former alternative, and to endeavour to meet all the expected demands in India, during the coming year, without recourse to the money market for a loan.

"36. In consequence of this resolution the balances in the treasuries in India on the 31st March 1881 are expected to fall somewhat below 11½ crores of rupees, a sum considerably less than the minimum sum which the Government of India usually estimates.

"37. The estimates of the Home remittance and Loan Transactions are habitually presented with expressed reserve; and this reserve must be understood to be this year greater than usual. But while thus emphatically reserving to ourselves the freest discretion to raise, during the year, any loan which actual events may render necessary, we consider the prospects of our being able to dispense with a loan during the year sufficiently substantial to make it unnecessary for us to enter any loan upon the estimates. We shall not in any case hesitate to raise any small Local Debenture Loans which may seem expedient during the year.

"38. The year 1878-79 was one of restricted and depressed trade as compared with the trade of the year immediately preceding it, though the value of the merchandise imported and exported (excluding gold and silver) was hardly below the average of the four years ending with 1877-78. When it is considered that famine still afflicted extensive provinces, that the war with Afghanistan was in progress, interfering with ordinary traffic on railway lines, causing a scarcity of carriage, and increasing the effects of drought and floods on the prices of food, and that trade generally in Europe and America was passing through a prolonged period of depression, it is a matter for congratulation that the industry of the country was able to bear up so well against adverse influences.

"The value of the exports of raw cotton, oilseeds, hides and skins, indigo, silk, wheat, saltpetre, lac, teakwood, and sugar, exhibited a sensible decline, most strongly marked in cotton, seeds, indigo, wheat, and sugar. The fall in cotton followed on a continuous decline of some years; the crops of seeds failed extensively, and at the same time the European and American demand for them fell off; the wheat trade was for the time almost annihilated, the low range of prices and enormous supplies from America forbidding the competition of Indian wheat; and sugar, after a large trade in the two previous years, suffered from the increase of prices caused by exhaustion of stocks and a failure of the sugarcane crop in the North-Western Provinces. Large quantities in excess of the imports of the previous year were imported to supply the deficiency.

"But while the trade in these articles diminished, owing to what we may hope were in most cases temporary causes, the exports of cotton twist and piece goods, rice, jute and jute manufactures, tea, coffee, and wool, afforded indications of prosperity in some of our chief staples.

"The value of the cotton manufactures imported was smaller than it had been for many years. Metals, railway materials, liquors, coal, and apparel all declined, and there was an increase in silk, sugar, provisions, woollen goods, machinery, and spices.

"The net imports of silver were nearly £10¾ millions less than those of 1877-78, and gold was sent out of the country to the value of nearly £900,000.

"The trade of the ten months of the current year for which figures are available shows a marked recovery from the depression of 1878-79, a recovery which, with abundant harvests, a decline in the prices of food stuffs, and renewed vitality in European and American trade, may reasonably be expected to continue.

"Even raw cotton has shared in the recovery, both quantities and values having for the first time for years, increased instead of diminished. Twist, rice, jute, hides and skins, tea, indigo, wheat, and saltpetre, have all increased, in some cases remarkably. The recovery of the rice trade, with the fall of prices and the reduced demand for consumption in India, is very satisfactory. So also is the increase in the trade in tea, although it is said that the planting interest has not been a gainer by the increased exports.

"The imports of merchandise also, like the exports, are much larger than in 1878-79. A large and active trade is being done in cotton goods, in the development of which there is reason to believe that the remission of duty on the coarser kinds of grey goods has aided. On the whole, the prospects of trade are satisfactory.

"39. I have now, my Lord, stated the general facts and figures for the past and present years, and for the year that is about to commence. The result must be considered highly satisfactory. The aggregate actual and estimated surpluses of the three years amount to £2,580,000. Let it be remembered that this will be arrived at after spending, out of our ordinary revenue, 5¾ millions on the war, 3½ millions on frontier railways, and £400,000 on famine relief; let it be remembered that the amount charged in these three years under the head *Loss by Exchange* has been nearly 10 millions; let it also be remembered that we have given up £340,000 from the License tax; £150,000 from Salt; £150,000 from the Inland sugar duties; £300,000 on cotton goods, and a multitude of other articles; and that the sum raised by taxation is thus less than the sum raised at the beginning of 1878, by more than £900,000.

"40. I shall now, My Lord, proceed to notice some of the more important questions of policy which the Government has had to consider. And first I may refer to that question which, at the present time, chiefly occupies our thoughts, the war in Afghanistan.

"My Lord, I do not now propose to discuss the reasons which led the Government to undertake this war. The discussion by me of such questions on the present occasion would be irrelevant to the matter before me. Whether the war has been just and necessary, or iniquitous and foolish, it has now to be carried on and paid for, and my present duty is confined to showing how the Government proposes to meet the obligations which, whether rightly or wrongly incurred, cannot now be avoided.

"41. There is, however, one question to which I must refer. It has been maintained by many persons that England, and not India, ought to bear the cost of the war in Afghanistan. I must explain why I consider this opinion incorrect.

"Circumstances may be imagined under which it would be just that England should bear the whole cost of military operations carried on by the Government of India, even though the finances of India might be so prosperous that they could without difficulty dispense with such assistance. It is conceivable that a war might be undertaken for the maintenance or defence of purely English interests, real or imaginary does not matter, and that India might be called upon by England to co-operate in such a war, although no Indian interests could be possibly served by it. In such a case the liability of England could not justly be denied.

"It will be said by those who are opposed to the policy which the Government has followed, that the war in Afghanistan falls precisely within this category, and that this war has been entered upon in defence of no Indian interest whatever, but in furtherance of the so-called Imperial policy adopted by Her Majesty's Government. Persons who hold this opinion may reasonably object to throwing any part of the cost of this war upon India; but this is not the opinion of the Government.

"42. Her Majesty's Government, and the Government of India, and, I will make bold to say, the intelligent loyalty of the people of India itself, hold that the war in Afghanistan was undertaken for the protection of India from the menaces of foreign aggression, and for the maintenance within her borders of permanent domestic tranquillity. The Government believed that this war could not be avoided, unless we were prepared to acquiesce in the establishment on our North-West Frontier of new conditions, which would infallibly lead to a

great increase of military expenditure, to intolerable financial burdens and difficulties, and to the disturbance throughout India of the very foundations of our power. Great as is the interest of England in preventing such consequences, the questions at issue were primarily and essentially Indian questions.

"Believing that the true interests of India are indissolubly bound up with the peaceful maintenance of our own dominion, we say that this war was undertaken with the conviction that justice to India herself rendered it unavoidable. If it be right to expend the revenues of India in maintaining the armies by which British supremacy is ordinarily secured, in giving to her internal peace and good administration, in the development of her wealth and civilization, and on the thousand other beneficial objects which we desire to promote, it is right to spend those revenues in rendering it impossible that any hostile influence should grow up on her borders, to threaten the existence of everything which, the duty of England to India makes us most desirous to develop.

"43. I can imagine few greater misfortunes to India than the loss of her financial independence, and the acceptance by England of financial responsibility for her Indian Empire. It would signify to India the loss of control over her own affairs in every department of her administration, the possible subordination of her interests to those of a foreign country, and the substitution of ignorance for knowledge in her Government. Although some rare instances may be quoted in which, when there seemed to be a conflict between English and Indian interests, it may perhaps be doubted whether India has been treated with perfect fairness, there can be no question that, on the whole, the government of India has been carried on with as honest and thorough a regard for Indian interests as if India had a separate national existence of her own. England may rightly be proud of the way in which she has treated her great dependency. These fortunate results have, however, been due not only to her justice, but also to the wisdom with which she has left to India a separate financial responsibility. England has felt that it would be no kindness to take upon herself burdens which India now bears, to guarantee Indian debts, pay for Indian wars, and relieve Indian famines. England has also felt that it was wise, in her own true interest, to refuse to take into her own hands the control of the £67,000,000 which now constitutes the revenue of India. England does not choose that there should be grounds for even a suspicion in regard to the purity of her motives. I say this in the belief that India has before her a future of increasing wealth and prosperity; but if this anticipation should not be verified, and her future should be one of financial embarrassment, the loss of her financial independence would bring with it other mis-

fortunes. I trust that the people of England may never find cause for believing that the maintenance of their Indian Empire means the imposition of heavy burdens on themselves.

"44. If, My Lord, India is ever to have a separate national existence, she must have self-respect and self-reliance, and I am sure that Indian patriots, who, with perfect loyalty to British rule, may nevertheless have, as they may rightly have, visions and aspirations of a distant future of another kind, ought to be the first to declare that their magnificent country shall bear its own burdens. India expects justice from England, but does not ask for charity. She feels that, with her ample and splendid resources, her two hundred millions of people, her revenue, which is surpassed by that of two only of the greatest European nations, she is a source of strength, not of weakness, to the British Empire. Whether we look to the extent of her territory, or to the numbers and character of her population, her military strength and capabilities, her public revenue and credit, India is one of the great powers of the world, ready at all times to stand side by side with England, and to fulfil every obligation which she owes to the common interest. If England be wise, she will not suffer either her own people, or her friends, and still less, will she suffer her enemies, to be ignorant of the fact that her Indian Empire possesses almost inexhaustible resources. I repudiate, as unworthy of India and of England, the notion that India requires help to protect herself against the hostility of an Afghan Chieftain, encouraged though he may have been by a great power beyond. Nor does the fact that English as well as Indian interests are at stake, afford any reason for asking England to help us with her money. Everything which conduces to the safety and prosperity and progress of India, is a matter of concern to England; but there is no more reasonthat England should help us to pay for a local war, necessary for the protecon ofu the interests of India, than that she should help us in the relief of our fiunes, uor in meeting the ordinary charges of our administration.

"45. Holding, my Lord, these views, it was, I confess, with some regret that I saw India, a year ago, accepting from England even the small amount of assistance which was given to us in the shape of a loan of £2,000,000, to be repaid without interest in seven years. But the circumstances of the time were peculiar. India had been suffering from a succession of famines and other unavoidable misfortunes, which had thrown enormous burdens on her finances, and there was a strong feeling in England, shared by men of all classes and parties, that, when the new calamity of war was added to the calamities which had gone before, England should help India in her difficulties. Although the course prompted by this generous feeling may not have been

politically wise, its motives were so honourable to the people of England that I cannot cavil at it.

"46. But, whatever may be thought of the action taken in the past, when we were in a position of temporary embarrassment, no reasons exist at the present time for asking England to help us to meet the charges of the war. The figures which I have stated to the Council show that we have in our possession ample means of defraying all expenditure which it is likely we shall have to incur. We have obtained these means not only without the imposition of fresh burdens on the people, but at a time when we are relieving important industries, and freeing from taxation a vast number of persons, who, if not actually, are still relatively poor. To say that when we are reducing the pressure of taxation, when the general condition of the people of India is one of great prosperity, when every branch of our revenue is flourishing, and when we have actually got all the money that we want, we ought nevertheless to ask England to tax herself, and relieve us from a burden which we are perfectly able to bear, does not seem to me reasonable.

"47. But it will be said that, even if India must bear the cost of the Afghan war, and must pay for the frontier railways, the construction of which the war has made inevitable, all these charges ought not to be thrown on the present generation of tax-payers; that this expenditure is undertaken for the future, rather than for the present protection of India; that posterity should pay its share of burdens imposed for its benefit; and that these charges should be met by loans, not out of the income of the year.

"The question thus raised is an old one; but I think I may be allowed, without disrespect to those who think differently, to say that, in England at least, statesmen of all parties have agreed about the principles on which such questions are to be decided. Those principles are, that, especially in a country with a heavy public debt, and not able to reckon confidently on a large and constantly recurring surplus, by means of which new debt can certainly and speedily be cleared off, the wise course is undoubtedly to provide for war expenditure out of the revenue of the year, so far, but so far only, as this is possible without throwing excessive burdens on the taxpayers, and overloading (to use Sir Stafford Northcote's words) the springs of industry and commerce; and that, if the expenditure cannot thus be covered, the deficiency may properly be made good by loans or other temporary resources not included within the regular revenue of the year. This is the doctrine which I understand to be held by that great authority in matters of finance, Mr. Gladstone, and I have partly stated it in his own words, although at one time he went fur-

ther in his advocacy of meeting such expenditure without recourse to loans. In India there may undoubtedly be special reasons for charging heavy war expenditure against loans, in preference to placing new burdens on the country. Not only is it difficult to make a very large and sudden addition to our existing taxation, but it may be politically unwise to do so. There would therefore be no cause for surprise if, in the case of having to meet a large expenditure on war, we were unable to contribute from current revenue as large a proportion of the cost as in England would be thought right. Nevertheless, the general principle is as true in India as in England,—that, to the utmost of our ability, we ought to provide for the expenses of every year out of the year's income, and to allow no borrowing that is not really unavoidable. As the late Prince Consort, contrasting these two plans of meeting war charges, observed:—"The former course is manly, statesmanlike, honest; the latter is convenient, cowardly, perhaps popular."

"48. For the reasons which I have given, it is improbable that the Government would, if our finances had been less prosperous, have thought it right to propose the imposition of fresh taxation to meet the expenses of the present war; but it is fortunate that no such question now arises. We can carry out the wise principles which I have quoted, not only without any fresh demand upon the resources of the country, but while we are giving relief from present taxation. I can hardly conceive that it can seriously be maintained that, having in our possession all the money that we are likely to require for the prosecution of the war, we should not spend it on that object, that we should abandon existing income, and then borrow to supply the loss.

"49. The reasons for which it is right to provide for the charges of the war out of current income apply equally, and indeed with greater force, to the charges for the frontier railways. Although they will permanently benefit the country, it is plain that we could not construct them with borrowed money on the grounds on which we borrow for productive public works, and that their cost must be included among our ordinary charges. If, however, we could not have paid for them out of our ordinary revenue, it would have been quite right to borrow for their construction. I should have said this because the works are absolutely necessary, and because the political and financial evils of borrowing would be less serious than those involved by fresh taxation. I should not have defended borrowing for these railways on the ground that they will benefit posterity as well as the present generation. That is a matter about which I know nothing; but I know that posterity will have quite enough to do in bearing its own burdens.

"50. I may add, with reference to these railways, that the urgent necessity for pushing on their construction is not likely to be denied even by those who have opposed the policy under which the war in Afghanistan was undertaken. The estimates show a probable expenditure on this account of £1,440,000 in the present year, and of £2,270,000 next year. The Council is aware of the great and unprecedented speed with which the Railway from the Indus to the foot of the Biluchistan hills, on the line towards Kandahar, has been pushed on. The extension of the Punjab Northern Railway from Jhelam to Rawalpindi and Peshawar, and to Khushalgarh, is making rapid progress. In less than four months from the commencement of operations, trains were running for 140 miles towards Kandahar; while on the Peshawar line, where the rails have to be carried over viaducts 100 feet high and through cuttings of rocks 60 feet deep, the engines are expected to reach the banks of the Indus before the end of 1880. Independently of military considerations, which possess, of course, at the present time, extreme importance, the completion of these lines, within the shortest practicable time, has become very urgent. As the Government of India has written on this subject, "it is obvious that immediate outlay upon the early and effectual improvement of our means of transport would be amply repaid by reduction in the excessive, and, to a great extent, wasteful expenditure which must otherwise be prolonged throughout the course of our present military operations, with the certainty of its recurrence on the first occasion of their renewal. The financial and economical interests affected by the inadequacy of our present Frontier communications are far-reaching, and the injury they sustain can scarcely be exaggerated."

"51. I have now, my Lord, to state to the Council the course which the Government proposes to take in regard to the Bill for amending the License Acts. It will be remembered that, when this measure last came before us, I announced, on behalf of the Government, that it was not proposed to take any further steps in the matter, until after the publication of the Financial Statement.

"The changes proposed in the existing law, when the Bill was introduced in November last, would, if they had been adopted, have had no appreciable effect upon the revenues, the amount surrendered by the exemption from taxation of the lower classes of traders being just made good by the extension of taxation to the official and professional classes. The effect of the further modifications subsequently proposed, and of the additional exemptions in favour of the poorer traders, would have been a loss on the one hand of £340,000 a year, and a gain on the other hand of £240,000, thus leaving us, as the general result, with £100,000 less revenue than we get now. The measure was essen-

tially one which had for its object the equitable re-adjustment of taxation, and it had no financial importance.

"52. Before going further, I wish to ask the Council to recall the circumstances under which fresh taxation was imposed two years ago.

"The object of the new taxes was described in the preamble of the License Act passed by this Council; and nearly the same words were used in the other similar Acts passed for the various provinces of the Empire. It was stated that—

'in order to provide means for defraying the public expenditure from time to time incurred, and to be incurred, for the relief and prevention of famine in British India, it is necessary to effect a permanent increase of the revenue.'

"In making this quotation, I do not attach any exaggerated importance to the declaration that these taxes were intended to give a 'permanent increase' to the revenues. It is, of course, competent to the Legislature to alter its policy in regard to this, as to any other matter. The declaration, nevertheless, has this value, that it shows the intention of the Legislature, when these measures were enacted two years ago; and since the object for which they were enacted—the protection of the country against famine—is undoubtedly as important now as it was then, and as earnestly desired by the Government, it is reasonable to say that very good cause ought to be shown, before we consent to give up taxes avowedly imposed to make a 'permanent increase' to the revenues.

"53. I may remind the Council what this increase really was. Taking together the measures adopted in the two years 1877 and 1878, the first new taxation was the Public Works cess, imposed on the land in Bengal: this yielded in 1878-79 £355,590. In 1878, new cesses were also imposed on the land in the North-Western Provinces, Oudh, the Punjab, and the Central Provinces, yielding about £170,000. The total amount of new taxation on the land was therefore about £525,000; the actual receipts during the last two years have, however, not been so large, because it was thought right to postpone for a time the collection of the cess in parts of Northern India which had suffered from drought. Similar taxation was not imposed on the land in Madras and Bombay: the principal reason for this exemption was, that the salt duties had just been increased in those presidencies, and it was held to be inexpedient to impose cesses on the land at a time when the effects of the famine were still being felt, and when the salt duties were being increased. A license-tax on traders was first imposed in 1877 in the North-Western Provinces, and, in the following year, the present License Acts were applied throughout India. They yielded, at their maximum, about £820,000 net.

"The total amount of what has been called the Famine Insurance taxation was therefore about £1,345,000.

"54. Considering that precisely the same reasons were given by the Government, and accepted by the Legislature, for imposing fresh taxation on the trading and on the agricultural classes, with the object of protecting the country against the financial consequences of famine, and that special stress was laid upon our desire to make the burden fall with approximate equality on each of these classes, it would be difficult, for the present Government at least, to accept any proposition for treating them differently now. In fact, it would be hardly possible to maintain the cesses on the land, if the tax on trades were abolished. It might be more possible to defend the abolition of the cesses on the land and the maintenance of the tax on trades. But it is needless to discuss such questions. Practically, so far as we are now concerned, these taxes on the agricultural and trading classes stand on the same basis.

"I need hardly say, after what has been said on former occasions, that the Government can entertain no idea of giving these taxes up, and of sacrificing a million a year of revenue. Even if these taxes were as bad as some think them, a time like the present, when we have to meet the heavy obligations entailed by a serious war, would not be opportune for abandoning them; still less could such a course be approved by those who believe with me, that these taxes are far less objectionable than others that could be named, and that when the time comes for remitting taxes, it is not with these that we ought to begin.

"55. At the same time, the Government desires to make all practicable improvements in the assessment and the administration of the License Acts. It was this desire which led the Government to the conclusion, explained by me to the Council, when the Bill for amending those Acts last came forward, that it was desirable to exempt from liability all persons whose annual earnings are less than Rs. 500 a year. As I formerly said, we expect by this change to exempt from taxation about a million and three quarters of the smaller traders, and to lose £340,000. The Government still adheres to these conclusions.

"56. Although, when this Bill was last before the Council, I was able to state that there had been great improvement in the financial position of the Government, I did not then venture to anticipate that the improvement would, when we came to make our estimates for next year, be so considerable as it is now shown to be. It has necessarily obliged the Government to reconsider the question of the propriety of extending taxation to the official and professional classes, and thus making good the greater part of the loss incurred by the exemption of the smaller traders from the License Acts.

"Although the main object of the Government in this part of its proposals was a more equitable adjustment of taxation, we felt that it was hardly prudent to give up £340,000 of income without any compensation, and this was one of the reasons assigned for the proposal to tax the officials and professional men. The Government has now had to consider this question:—admitting—as we must do, in the present state of the finances—that we do not absolutely require the £240,000 which the contemplated taxation of these classes would yield, is it now desirable to impose it merely for the purpose of making our system of taxation more theoretically equal, and removing to some extent the reproach, which undoubtedly is true, that certain classes do not at present bear their full share of the public burdens?

"If it had now been possible to attempt the removal of the numerous inequalities and anomalies which are inseparable from any such partial system of taxation as that which now exists, this would have been an object of high importance; but the mere extension of taxation to the official and professional classes would clearly be no complete solution of such a problem, although it might be a step towards it. On the whole, the Government thinks it better, for the present at any rate, not to press this part of its proposals. We have given up £340,000 from our existing taxes, and we do not ask that any fresh taxation shall be imposed. The amendment of the present law is desirable to carry out the exemption of the lower classes of traders, and for the removal of one or two difficulties which I shall explain later on; but with these exceptions no change is proposed in the License Acts now in force.

"57. I do not intend, My Lord, on this occasion to discuss afresh the vexed question of the Famine Insurance Fund or Surplus. There has been much misunderstanding between the Government and some of its critics as to what was said and as to what, though unsaid, we are presumed to have meant when the taxes to which I have referred were first imposed in 1877 and 1878: for this misunderstanding, so far as it has been due to want of precision in the explanations of our policy, I am prepared to accept my full share of responsibility, but for my part, I do not intend to refer to it again. I shall only say further that there has been, in regard to this matter, no change in the financial policy of the Government, nor is any change proposed now. In the following remarks, I shall endeavour to avoid controversy, and to refer only to actions and to facts which, whatever their motives and origin, can hardly be misconstrued.

"58. When the serious character of the financial obligations of the State in times of famine had been recognized, it became the duty of the Government of

India to make sure that the public resources were adequate to meet the fresh strain imposed upon them. Upon careful inquiry we came to the conclusion that we must contemplate a liability from famine amounting, in loss of revenue and actual expenditure, to, on an average, £15,000,000 in ten years. It was clear that this liability must be included among our ordinary obligations, and that it would have been a fatal error to go on increasing the public debt to meet charges which must periodically occur. To enable us to discharge the liability thus estimated, we determined to aim constantly at a surplus of £1,500,000, supplemented by a further surplus of £500,000 to provide for extraordinary and abnormal demands other than famine, as, for example, to name the most serious of such demands, for war.

"This standard surplus of £2,000,000 was to be ascertained on a comparison of the revenues with the expenditure, exclusive of :—First, Productive Public Works, which, to whatever extent might be necessary, it was assumed might be provided for by loan; Secondly, Famine Relief, and loss of revenue due to famine; Thirdly, Protective works, *i. e.*, works not strictly fulfilling the definition of Productive Public Works, but constructed specially for the protection of the country against famine; and Fourthly, Abnormal expenditure, other than for famine, as, for example, on war.

"I do not stay to inquire afresh how far the standard thus adopted was adequate to the object in view, namely, the solvency of the State, although I believe it to have been so; I only recite facts.

"59. In order to secure this standard average surplus of £2,000,000, the Government next resolved that it was necessary to increase the revenues of the country. The occasion for such increase was the recognition of the increased obligations of the State in times of famine, and the measures of taxation adopted were framed in the belief that there were certain classes upon which this particular burden ought primarily to fall. As I have already explained, that taxation amounted originally to £1,345,000. It has now been reduced to £1,000,000.

"60. Whether the public accounts show surplus, equilibrium or deficit, it is indisputable that these taxes must prevent debt by the exact amount which they yield, and that, when famine occurs, our resources for meeting it will be increased by an amount exactly equal to the amount obtained from these taxes, with compound interest upon them. This part of the subject needs no further remarks.

"I have shown to-day that the precise burden borne by the country during these three years for this purpose has been or is estimated to be—

	£
in 1878-79	1,227,891
in 1879-80	1,184,000
in 1880-81	982,000
	3,393,891

"The actual expenditure on famine relief has been or is estimated to be:—

	£
in 1878-79	313,420
in 1879-80	99,000
in 1880-81	5,000
	417,420

"Therefore, the taxation thus levied in these three years, has enabled us to defray the expenditure on famine relief, and, moreover, to prevent debt to the amount of £2,976,471, with interest upon this sum. That this result has been achieved is self-evident, and, being independent of the surplus or deficit of the revenue as a whole, requires no further demonstration.

"61. I have perhaps already said enough upon the other part of this subject. The standard which we accepted was £2,000,000 revenue in excess of the expenditure on the ordinary account, excluding the expenditure upon famine, and other abnormal obligations. In my opinion this standard has been, in each of the three years of which I am speaking to-day, greatly surpassed.

"It will doubtless be always right to scrutinise rigidly and jealously the validity of the grounds upon which any part of the public expenditure is excluded from the account upon which the surplus for comparison with our standard surplus of £2,000,000, is ascertained; but I believe that, if the accounts and estimates of the three years before us are subjected to the most severe criticism, it will be found that the actual and estimated surplus of revenue during this period does truly far exceed the £6,000,000 which, according to the standard which we have prescribed for ourselves, should be attained in three years, if the solvency of the State is to be ensured.

"62. I find an apt illustration of our policy in this matter, ready to my hand, which I quote the more willingly because it is, in other respects, of much

interest. According to present prospects, in the ten years ending with 1880-81 we shall have spent, all-told, including productive public works, war, and famine, £36,818,000 more than our whole revenue. The items included in this expenditure, which should be excluded before applying our standard, are—

	£
Productive Public Works*	35,881,000
War in Afghanistan	9,250,000
Famine	14,607,000
TOTAL ...	59,738,000

Our revenue will have exceeded the rest of our expenditure by £22,890,000; and, but for loss of revenue from famine, this surplus would have been £25,890,000, or, on an average, £2,589,000 a year.

"Thus, during these ten years, with an average surplus of £2,589,000 to compare with our standard of £2,000,000, we expect to have defrayed the whole cost of our famines and our wars, from our revenues, excepting only the trifling deficiency of £967,000. Considering the magnitude of our expenditure on famine and war during this period and the immense increase of charge under Loss by Exchange, this retrospect appears to me highly satisfactory.

"63. I wish I could say that our plans for the construction of works for the actual prevention and relief of famine had been as successful as our financial arrangements have been. And this brings me, My Lord, to another part of my subject.

"Financial safety was by no means our sole object. We felt not only that we had financially to provide the means of relieving famine when it occurred, but that the equally important duty devolved upon us of doing everything which it was possible for a Government to do, towards preventing these most terrible of all natural calamities, and furnishing the country with the machinery by which, when they occurred, the largest practicable amount of relief could be most speedily and effectually distributed. The new taxation and the other measures by which our finances were improved, would give us, we believed, the means of carrying out these objects with a certainty and rapidity which would otherwise have been difficult.

"The investment of our surplus in Productive Public Works was, from a merely financial point of view, in no sense essential to our scheme, and it will

* Including £11,076,000 spent on what I have called doubtful works.

be seen, from what has been said elsewhere, that this part of our plans was modified by the orders of the Secretary of State in a manner to which, on financial grounds, we could take no exception. But we certainly contemplated the extensive construction of works for the protection of the country against famine; and it was to these projects that public attention was mainly directed, and in them the public naturally and rightly felt a deeper interest than it could take in any merely financial arrangements.

"64. A nobler programme was, in my opinion, never put forth by any Government than that put forth by Your Excellency; a more beneficial scheme was, in my judgment, never formed for the material improvement of any country, than the scheme which Your Excellency explained to this Council on the 27th December 1877, in your Minute of March 1878, and on other occasions, I desire to remind the Council and the public of what the plans of the Government of India were, and to explain why they have not been carried into effect as completely as we desired.

"65. I wish, My Lord, it were possible for me to read to the Council, and incorporate in this Financial Statement, Your Excellency's speech of the 27th December 1877. As I cannot do this, but am anxious to place the whole case in the clearest light, I must ask Your Excellency's permission to string together some passages from that speech, for I could not describe the programme of the Government in any words so good as those which Your Excellency used—

"The measures now before the Council have, for their principal object, the provision of that increase of the public income which experience has proved to be the first condition of any practical insurance against famine; and, therefore, it is only proper that the Council should know how we intend to employ the resources which its adoption of these measures will place at our disposal for that purpose. * *

"Of the countless suggestions made from time to time, and more especially during the present year, for rendering less bitterly ironical than it still seems, that famous inscription on the huge granary built at Patna, for 'the perpetual prevention of famine in these provinces,' there are only three which merit serious consideration. These are firstly, Emigration; secondly, Railways; and, thirdly, Irrigation Works. Unfortunately for India, the first of these three material factors in the practical solution of problems similar to those we are now dealing with, is inapplicable, or only very imperfectly applicable, to the actual conditions of this country; * * though emigration unquestionably claims our fostering encouragement, I fear that, for many years to come, we must practically exclude this expedient from the list of those on which we mainly rely as a means of insuring the population of India against the calamities of periodical famine. The conclusion thus arrived at forcibly confines our immediate efforts to the most rapid development, by the cheapest methods, combined with the most appro-

priate and efficient application, of the only two remaining instruments for increasing the produce of the soil, facilitating its circulation, and thereby improving the general social condition, and augmenting the collective wealth, of the whole community. Those instruments are railroads and irrigation works.

"'Now the incalculable value to India of her present railways has been unmistakeably demonstrated during the past year; and the Government is unquestionably bound to stimulate the extension of this class of works to the greatest extent and with the greatest rapidity, consistent with the requirements of financial prudence.

"'* * It is an unquestionable fact, that the railways, and the railways alone, were the salvation of the situation in Northern Behar during the famine of 1874; and that they have again been the salvation of the situation in Madras during the famine of the present year.

"'* * Had there been no railway within reach of these districts, the people, where they have now died by hundreds, must have assuredly succumbed by thousands.

"'I am satisfied that the development of a network of subsidiary lines of railway, giving the means of transport through every district of British India, has become a matter of vital necessity for the attainment of the great object now before us. Our present object is to render available within the shortest possible time a maximum length of line, especially constructed for a slow goods traffic, rather than to provide those more ample conveniences for passengers and goods, which have commonly been deemed necessary for all Indian railways hitherto constructed. * * *

"'The early conclusion of such an undertaking must necessarily depend upon its financial practicability; and, for this reason, all minor considerations must be subordinated to the most rigid economy in construction, and the most severe limitation of the works to what is indispensable for the efficient exercise of their special function. But, if these conditions be duly complied with, I have confidence that, at a comparatively early period, we shall, without any strain upon our financial resources, have extended to all parts and provinces of our empire the most efficacious protection, not indeed from dearth (for that is impossible), but from those terrible effects of dearth which now generally terminate in famine.

"'These, then, are the principles on which we are prepared to apply at once to the extension of our railway system, as a means of insurance against famine, an adequate proportion of the resources at our command for that purpose. * * * * * *

"'We propose to apply to the extension of irrigation works precisely the same principle and policy. * *

"'I am not now speaking of what we ought to do, or would do, to ensure this country against the worst effects of future famine, had we only the means of doing it; but of what we can do, and will do, with the means already provided for in the measures now before the Council. I do not mean to say that the construction of such an extensive system of local railroads and irrigation works as we propose to undertake, will not be the gradual task of many years. But I do mean to say that, in the manner and on the principles already explained, we are now providing for the prompt commencement, and uninterrupted continuation, of this

great and necessary task. We are systematising a policy, the principles of which have been repeatedly [illegible]ned and approved by our predecessors. We are associating with it the interests, the p[illegible]s, and the duties of our local administrations. We are providing them with the means of permanently prosecuting and developing it, not without reference to our financial control, but exempt from the distressing uncertainty which has hitherto been inseparable from the practical execution of this policy, in consequence of the obligation, which has till now rested upon the Government of India, with the very limited funds at its disposal for the prosecution of public works, to choose, from year to year, between the conflicting claims upon its purse of the various and dissimilar localities of this spacious Empire.'

"66. My Lord, I am convinced that the policy, which Your Excellency thus proclaimed your resolution to carry out, was not only wise and humane, because it provided the only possible means by which the Government could protect the country against the future calamities of famine, but that, financially, it was sound and prudent. Notwithstanding many mistakes which, in transactions of such magnitude, were inevitable, the policy by which, for many years past, we have been constructing railways and canals in India was, in my belief, sound and statesmanlike in its conception, and its practical results have been triumphantly successful. The wealth of the country, and the prosperity and happiness of its people, have been increased by it to an incalculable extent; the consequent gain to the country and the public finances has been immense, and is not to be measured by figures showing only the direct returns from the works which have been constructed. For my part, I see no drawbacks, no dangers, and no disadvantages, which deserve to be weighed for one moment against the benefits which have been derived. The Government of Your Excellency desired to extend and develop this policy, and hoped, by the construction of a network of cheap railways and of carefully planned works of irrigation, to do all that it was in the power of a Government to do, to prevent the frightful calamities of famine to which the country is now periodically exposed. We believed, and I believe still, that we could do this not only without financial risk, but with certain financial advantage.

"67. The Local Governments shared our convictions and our expectations. Sir Ashley Eden, the Lieutenant-Governor of Bengal, was prepared to undertake, from the resources already assigned to him, a system of railway communications which, without costing the imperial revenues a shilling, would, he believed, have added millions to the wealth of his great province. Sir George Couper sent us up a scheme, carefully prepared by my friend General Fraser, for constructing a complete system, some twelve or thirteen hundred miles in length, of light railways, which, in combination with works of irrigation, would have gone far, if not to make future famines in the North-Western Provinces

improbable, at least to render the relief of such famines a comparatively easy and a certainly successful operation.

"68. My Lord, these visions have for the present, but I hope only for the present, faded. The plans which Your Excellency described to the Council two years ago, and which I have repeated to-day, have not yet been carried out; we have had to defer the hope of protecting the country against famine by the rapid development of railways and works of irrigation; and not only this, but we have even been compelled largely to reduce the expenditure which, for many years past, we have been incurring on works of this description.

"My Lord, I shall not call in question the sufficiency of the reasons which led Her Majesty's Government, and a Committee of the House of Commons, to think that a very large reduction should be made in the expenditure of the Government of India on Productive Public Works; nor is it necessary that I should now repeat those reasons, because they have been fully explained in the Report of the Committee, which was published during the last session of Parliament. Nor do I wish it to be supposed that I am insensible to the advantages which we derive from this temporary restriction of expenditure. It has enabled us to carry out in a way which might otherwise have been hardly practicable, important reforms in the Public Works Department, and to get rid of hugely overgrown establishments.

"69. The limit of £2,500,000 which has been placed on our annual expenditure on productive public works has avowedly no sort of finality. 'The amount to be annually expended' (I am quoting from the Report of the Committee of the House of Commons) 'should mainly depend upon the financial condition of India, and should, therefore, for the present, be limited to an amount of £2,500,000, as recently fixed by the Secretary of State for India in Council.' Considering what our financial condition already is, and what we hope it will be in the future, I predict with confidence that the check, which has been placed upon our expenditure on useful works essential to the progress of the country and to its protection against famine, will be only temporary, and that the execution of the plans described by Your Excellency two years ago has been only temporarily deferred. But at the same time I wish to make it clear that, if the Government of India has failed for the present fully to carry out its programme for the construction of material works for protecting the country against famine, no responsibility for that failure rests upon us. While I say this, I must again ask the Council to remember that, however much we may regret this disappointment, it in no way affects the financial efficacy of the measures taken to enable us to discharge

our obligations in times of famine without fear of insolvency. Nothing can prevent the success of those measures, which have been subjected to this modification only, that, owing to the improvement of our general financial position, we have ventured to dispense with about a quarter of the additional taxation (amounting at its maximum to £1,345,000 a year) which was their main feature.

"70. I may here notice, with regard to the policy of the construction of productive public works, that, although the correspondence on the subject between the Government of India and the Secretary of State is not concluded, it is understood that the following points have been settled for the present:—

"i. That any money which it may be necessary to borrow for the construction of such works shall be borrowed in India, in rupees, and not in London in sterling money.

"ii. That not more than £2,500,000 a year, on an average, shall be thus borrowed, in addition, however, to any capital expended upon the East Indian Railway or any other undertaking which may be hereafter acquired by the State in like manner; in addition also to any money which may be lent to the Government of India by Native States for the construction of productive public works.

"iii. That the yearly grant for the construction of productive public works shall not exceed £2,500,000 in addition to the capital expended upon the East Indian Railway or any undertaking similarly acquired hereafter, and to the expenditure upon any works the funds for the construction of which are lent to the Government of India by Native States.

"iv. That the unexpended portion of the grant of the past year may be re-granted for expenditure in the following year. The object of this provision is to prevent the waste and inconvenience incident to the lapse of unspent grants for the construction of public works.

"As already explained, the grant for the construction of productive public works in 1880-81 has been regulated strictly by these principles.

"71. There are, My Lord, various questions connected with the customs tariff to which I must now refer.

"Beginning with the import duties, there is first the duty on cotton goods, and this is a subject of which I cannot speak without some reserve, because there has been in past times, as everybody knows, no unanimity of opinion regarding it among the members of the Government. Speaking, as I now am, on behalf of the Government generally, I desire to say nothing to which any of my colleagues might take exception, and, although it will not be possible for me altogether to avoid the expression of my own opinions on questions of

past and future policy, I hope it will be understood that I shall, in giving such opinions, be stating only what I myself think.

"The Government does not at present propose to make any alteration in the duties actually levied on cotton goods. There are, however, obvious and serious defects in the existing system, and no one can say that it can long be maintained.

"72. The measures taken during the last two years, whatever other results may have followed, have at least effected the particular object for which they were declared necessary. They have, for the present, removed all grounds for the complaint, that we were levying protective duties in favour of the Indian mills in their competition with English manufacturers. Some classes of English goods may be unduly favoured in comparison with other classes of English goods; but no protection remains for the special benefit of goods produced in India.

"When, last year, Your Excellency decided that it was impossible to defend the maintenance of the duty on certain classes of cotton goods, because it had a distinctly protective character, it was thought right to make a considerable sacrifice of revenue for its immediate removal. Whether the course adopted was right, as I then thought and think still, or whether it was wrong, is a question which I will not now discuss, but the Government feels that it cannot at the present moment go further, or submit to loss of revenue beyond that which the measures of the last two years have rendered unavoidable.

"73. I must say something of the effect which those measures have actually produced. Mr. Hope's Commission stated in its report last year that the remission of duty on all goods made of 30s and under "would probably soon effect a complete revolution in the piece goods trade," and it quoted, in support of its own conclusions, a report by Mr. Pritchard, the Commissioner of Customs in Bombay, who, with reference to this remission, wrote as follows:—

"'It will operate to create a new class of shirtings made of yarns 28 by 29 or 30, instead of the present standard quality of 32 by 36. This will pass free of duty, and, if it finds favour in the market, will take the place to a large extent either of the long cloths or of the shirtings now used, or of both.'

"The Commission also quoted the following opinion of a large mercantile firm:—

"'There can be no doubt that a trade in cloth made of yarn just within the limit of exemption of duty would be fostered, and which might gradually become of considerable

importance. Such cloth would probably be appreciated by consumers for its intrinsic value, as well as for its comparative cheapness, owing to there being no duty upon it; and, if this should be the case, it might do away with the importation of cloth made of yarns varying from 32s upwards.'

"74. I quote these passages, because the actual results have closely corresponded with the anticipations thus formed by the Commission and adopted by the Government. The chief difference has been that those results have followed more rapidly than either the Commission or the Government expected.

"The immediate consequence of the exemption from duty of goods containing no yarn of a higher number than 30s, was the rapid development of the manufacture and import of a new class of goods made of 30s and lower counts. In consequence of their superior relative cheapness, these duty-free goods have rapidly become popular; and the experiment having thus proved successful, the tendency is now to make of the coarser yarns all cloth for which they can be used, and to substitute the coarser for the finer fabrics formerly made of yarns ranging from 30s to 40s. This process has already reached such a point, that last month the duty-free shirtings and longcloths constituted more than 74 per cent. of those kinds of imported goods, and the dutiable qualities of some other classes of goods have almost disappeared from the market. We estimated last year that we might lose in the first year revenue to the amount of £150,000, and in subsequent years more. It is now probable that the loss in the first year, now about to close, will be nearly £200,000, and for the coming year it is estimated at £50,000 more.

"75. Now, clearly, the present state of things is not satisfactory. We are holding out to English manufacturers a strong inducement to supplant finer by coarser classes of goods, and it has been forcibly represented that these and other anomalies ought not to be left uncorrected. I may refer in particular to a letter addressed to us by the Bengal Chamber of Commerce. The Chamber points out that the declaration made last year by the Government, that "it is not reasonable that certain goods should be admitted free, while large quantities of goods of almost precisely the same character in every thing but name remain liable to duty," is still true, with this difference, that the hardship is now "not caused by the competition between Lancashire and our local mills, but by competition amongst Lancashire manufacturers themselves, to secure the full benefit of the Government of India's last act. They do not, however, carry less weight on that account." The letter of the Chamber has been seen by the Council; I need not repeat the forcible illustrations which it

contains of the anomalies which now exist, but I fully admit the accuracy of its statements.

"The Chamber says that "to all appearance, these duties are dying a natural death, and as that process involves serious anomalies and hardships, it is a question whether the present is not a fitting moment to abolish them *in toto*. To the Committee there does not appear any other course open, consistent with the declarations of Government, to which they have referred."

"76. If I could now put aside financial considerations, I should say that this conclusion of the Chamber is perfectly right. I may add that the alternative course which it has suggested as possible, namely, the recall of last year's exemptions, and the re-imposition of a uniform duty of 2½ per cent. on all imported cotton goods, would not only be, in my opinion, objectionable in itself, but seems impracticable, because it would be opposed to the policy laid down for our guidance by Parliament, and by Her Majesty's Government. That policy was declared on the 4th April 1879, by the House of Commons, in the following Resolution:—

"'That the Indian import duty on cotton goods, being unjust alike to the Indian consumer and the English producer, ought to be abolished, and this House accepts the recent reduction in these duties as a step towards their total abolition, to which Her Majesty's Government are pledged.'

"I need not pursue this subject further. It is impossible to deny that the present state of things is anomalous and objectionable. The Government will give to this question in the future that constant attention which its importance demands, but it cannot, at the present moment, make the large sacrifice of revenue which its complete solution would involve, and, as a provisional arrangement, meanwhile, it does not seem possible to draw any line better than that drawn last year. The abolition of the remaining duties on cotton goods would cost us £600,000, in addition to the £250,000 which we have given up already.

"I may remind the Council that the measures of last year were not hastily taken, and that they were in precise accordance with the specific recommendations of the Chambers of Commerce of Manchester, of Bengal, and of Bombay. I may add that, although I cannot doubt that the objections to which I have referred must have been felt as strongly in Lancashire as anywhere else, the Government has not received from the English manufacturers any complaints regarding them.

"77. Although, my Lord, I do not intend to discuss the propriety of the course that has been followed in regard to the removal of the duty on cotton goods, I must ask Your Excellency's permission to say a few words on what is, in some respects, a personal matter. We are constantly told that these measures have been adopted in disregard of the interests of the people of India, and in obedience to the selfish demands of the Manchester manufacturers. If, my Lord, we had, indeed, manipulated, in the interests of England or of any political party in England, the taxes paid by the people of India, our conduct would have been not only shameful and odious, but absolutely criminal, and I, as Your Excellency's chief constitutional adviser in the financial measures of the last two years, must have borne my share of the responsibility. But for myself, who have taken part in these measures, I wish to say that I hardly remember the time when I did not argue, in the interests of India, for the removal of these and all other restrictions on her commerce. I advocated the abolition of these duties before, to the best of my belief, Manchester had herself discovered that she was injured by them, and long before Lord Salisbury had proved in his despatches, in a manner which seems to me unanswerable, the serious injury which they were inflicting upon this country. As I said in my first Financial Statement three years ago, I would not have accepted my present office, if I had not hoped that I should have an opportunity of co-operating with Your Excellency in carrying out what, I may say without exaggeration, have been the convictions of a life-time. I have had that opportunity. The cotton duties are, in my opinion, virtually dead.

"78. Before leaving this subject, I think it right once more to point out that we ought not to shut our eyes to the consequences which, as it seems to me, must inevitably follow from the loss of the cotton duties. Whether those consequences ought, as I believe, to be welcomed as fraught with a great development of wealth and prosperity to India, or ought, as others think, to be looked on as disastrous, we cannot wisely shut our eyes to the fact that the abolition of the duty on cotton goods will involve in all probability the loss of a great part of our revenue from sea customs. In the Financial Statements for 1877-78 and 1878-79 this was clearly pointed out. In the former of these, I said that I looked forward with confidence to the almost total abolition of customs duties in India, and I used these words:—"I do not know how long a period may elapse before such a consummation is reached, but, whether we see it or not, the time is not hopelessly distant, when the ports of India will be thrown open freely to the commerce of the world."

"My Lord, the fulfilment of this vision seems to me now not far off. It was shown in the Financial Statement for 1878-79 that, putting aside the duties levied on salt and alcoholic liquors, which stand on special grounds, and on which internal excise duties corresponding with the customs duties are imposed, there would remain, apart from the cotton duties, a very small amount of import duties. Taking the estimates for the coming year, the net sum which we expect to receive from the sea customs duties, exclusive of salt, alcoholic liquors, and arms, is £1,115,000. The cotton duties will yield say £615,000, and, if I am right in believing that they must ultimately be altogether given up, our whole import duties would then yield only about £500,000. The truth is that cotton goods are the sole article of foreign production, which the people of India now largely consume, and there is no present possibility of a large customs revenue from anything else. Will it be possible, when cotton goods have been freed from duty, still to tax woollen goods and many other articles? And can it be believed that we should long maintain our customs establishments for the sake of obtaining the insignificant revenue that would remain?

"79. I know only one suggestion which seems to deserve discussion, for saving a considerable portion of our customs revenue. I do not remember by whom it was first made, but I have heard of it for a good many years past. I believe that it really had its origin in a plan which at one time Mr. Gladstone thought of for England. My hon'ble friend, Mr. Hope, has lately given it his attention.

"Starting with the assumption that our customs tariff on its present footing cannot be maintained, this suggestion is that, instead of customs duties properly so called, we should, with certain exceptions, levy on all articles imported into India, and possibly, also, on those exported, a registration fee at a very low rate. In this way, it is urged, we might obtain a considerable revenue in an unobjectionable way. I give no opinion of my own, much less do I give any opinion on behalf of the Government, in favour of this scheme, and all I say of it is that it deserves to be considered.

"80. Another solution of these difficulties has lately been suggested, but it seems to me unsound in theory, and impossible in practice. It is that a sort of treaty of commerce should be entered into between England and India, on the principle that India will admit all English merchandize free, on condition that England gives up the duties which she now levies on Indian tea and coffee; if, it is added, England, in order to maintain her duty on China tea, prefers to continue to levy duty on tea and coffee from

India, she might pay the proceeds amounting to a million a year, into the Indian Treasury.

"Of course we should be glad to see the English or any other duties on Indian tea and coffee or on anything else removed; but, if free trade be good for India, it is good for her whether other countries maintain duties on Indian products or not, and the fact that England (for, as it seems to me, excellent reasons) taxes our tea and coffee, is no reason for our taxing her cotton manufactures, and almost everything else that we get from her. To maintain the contrary is, to maintain the old delusion of reciprocity. In regard to the suggestion that England should pay to India the million which she levies on Indian tea and coffee, this is clear, that, whoever else might profit from such an arrangement, it would not be our tea and coffee interests. They would have to pay as much as before, nor would they be reconciled to the new arrangement by the reflection, that it was almost equivalent to the imposition upon them of an export duty for the purpose of saving the English treasury from loss, and for the benefit of the general revenues of India.

"81. I must add that I do not know why tea and coffee have alone been mentioned, as if they were the only articles of Indian production on which England levies any duty. There is tobacco, from which England derives a revenue of between eight and nine millions; I hope and believe that Indian tobacco has before it a great future; I should be delighted to see every legitimate encouragement given to its production; but I cannot conceive how it can be admitted into England free of duty. As, however, the adoption of the proposals, to which I have alluded, would practically lead to the surrender by England of the greater part of her customs revenue, I need hardly say more on this subject.

"82. Leaving the import tariff, I come now to questions connected with the duties on exports. Since 1875, the only export duties have been those on indigo, lac, and rice.

"83. It is surprising that the duties on the two first of these articles should have survived so long. Nobody has ever defended them, and the only reason assigned for keeping them has been that the Government could not give up the revenue yielded by them, though this has never been great. The average amount derived annually from the export duty on indigo is £42,000. The duty is levied at a fixed rate on quantity, so that the revenue does not fluctuate with the fluctuation of prices. On the finer qualities the incidence of the duty is not much over one per cent.; on the lower qualities it may be as much as four per cent. The cultivation of indigo by natives

of the country has, in Northern India, been somewhat rapidly increasing, and the duty falls much more heavily on the qualities made by them, than on the better qualities turned out by the factories managed by Europeans. Indigo from Central America competes with ours in the European markets, but not very actively; and a more serious future danger to this industry is probably to be found in the competition of chemically prepared substitutes. The danger is not the less real because no efficient substitute has yet been found. The progress of scientific discovery is now so rapid, that we might hear almost any day that this highly important Indian industry was seriously threatened, and we should then be exposed to the deserved reproach that this competition had been stimulated by the suicidal folly of our fiscal legislation. Export duties enjoy the credit of having ruined the Indian trade in saltpetre; they were taken off when it was too late to repair the mischief; the Government does not wish to run any similar risk with indigo. A notification will, therefore, be issued to-day under the powers conferred on the Governor General in Council by the Sea Customs Act, 1878, exempting indigo from liability to export duty.

"84. The same notification will abolish the equally indefensible export duty on lac. The trade in lac has been in a depressed condition, and during the last two years the average amount of revenue yielded by the duty has been only about £9,000.

"85. I do not think that any one will question the propriety of these exemptions. Taking them both together, they involve a loss of about £54,000 a year.

"86. The only export duty, which will now remain, is that on rice. It yielded, in 1878-79, a net revenue of £556,000. As it is an export duty, it is often assumed that its effect must be more mischievous than that of any import duty. No one can be more alive than I am to the economical objections to export duties; but this duty on rice is, in my opinion, at the present moment, less open to objection than some of our other customs duties. I have before me a valuable note by Mr. O'Conor on the Indian rice trade. It is shown that more than half of our exports of rice goes to Europe. Of the remainder, the greater part is consumed in the countries near India, such as Arabia, Persia, Ceylon, the Straits, &c., or is sent to various colonies, of which Mauritius is the most important, for the supply of the cooly population. The table rice exported from Bengal to Europe is used as food; other qualities, and the rice from Burmah, a thick coarse grain, is chiefly used for distillation, or for conversion into starch.

"87. There is practically, at the present time, no competition with India on the part of other countries in Asia or America in the rice trade. Great apprehensions were expressed some years ago of the competition of Saigon. Similar apprehensions have been felt in regard to Siam. As yet these apprehensions have not been justified; but I must observe that there has been this year a large increase in the export of rice from Saigon to Europe. Northern Italy produces a good deal of rice, and sends large quantities to France; other countries furnish smaller supplies. Rice cultivation, which was formerly very extensive in North Carolina, has ceased to be important, and little rice now goes from the United States to Europe. Thus, although it would not be correct to say that India has a monopoly of the trade in rice, she has something approaching to it, and, so long as this remains true, it cannot be said that the export duty has a seriously injurious effect on Indian interests. At the same time, it is impossible to say how long this may continue true; the Government cannot keep too watchful an eye on the rice trade, and must be prepared, if it should become necessary, to take immediate action. While, therefore, I am not prepared to say that our export duty on rice is at the present moment especially objectionable, I feel that we cannot count upon it as a permanent source of revenue, and if we could afford the loss, I should be very glad to get rid of it. The exports of rice from India, during the last seven years, have not very greatly varied in quantity. In 1873, the year before the Bengal famine, they were 1,164,697 tons; in 1875, in consequence of the famine, they fell to 869,646 tons, and this was the lowest amount reached; in 1879 they had again risen to 1,061,861 tons, and the trade is now again increasing.

"88. Considering that, between 1874 and 1878, the country was passing, with hardly any intermission, through a period of drought and famine, and that vast quantities of rice were absorbed in feeding the famine-stricken population, it is satisfactory to find that exports to other countries should have shown little diminution, and that the enormous increase in prices should not have interfered materially with the foreign demand. In 1878-79, although prices still ruled high and an active demand continued for internal consumption, the exports nearly attained the level of the trade previous to the famine period. This year the exports will, it is thought, exceed those of last year, and, if harvests continue good, next year will probably be a time of great activity in the rice trade.

"89. In leaving this part of my subject, I will only add, that I am as sure as ever that there is no country in the world in which the fullest application of the principles of free trade is more desirable than it is in India. India (to repeat what was said in the Financial Statement for 1878-79) "is a country

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which, from its poverty, the primitive and monotonous condition of its industrial life, and the peculiar character of its political condition, seems to require from its Government, before all things, the most economical treatment of its resources, and, therefore, the greatest possible freedom in its foreign exchanges." I confidently believe that the time is not far off when the truth of this will be generally recognized.

"90. The re-adjustment of the salt duties, to which I must next refer, has proved a very successful measure. It will be in the recollection of the Council that, at the end of 1877, a step was taken towards equalizing the rate throughout India, by raising it, in the Presidencies of Madras and Bombay, from 1 Rupee 13 annas to 2 Rupees 8 annas per maund, and by lowering it, in the Lower Provinces of Bengal, from 3 Rupees 4 annas to 3 Rupees, and, in the Upper Provinces, from 3 Rupees to 2 Rupees 12 annas per maund. In the following August, a further reduction was made of 2 annas in Lower Bengal, and of 4 annas in the Upper Provinces. By these means a uniform rate of 2 Rupees 8 annas per maund has been established throughout India, except in Bengal, where the duty is 6 annas higher, and in Burma and part of the Punjab trans-Indus, where it is nominal.

"On the 1st October 1878, the salt sources which the British Government had, under recently negotiated agreements, obtained on lease from the Native States in Rajputana, were taken over, and at these, as well as at the Sambhar Lake already in our possession, the duty of 2 Rupees 8 annas per maund was then levied on all salt, excepting that exempted under the agreements just mentioned, the details of which were fully described in the Financial Statement last year. Considering that this result has been obtained not only without any general increase in the rate of duty on salt, but with a large reduction of that rate throughout by far the greater part of India, and simultaneously with a reduction of price to the vast majority of the population, I think we may congratulate ourselves on the success of our policy.

"It was formerly shown that, by the re-adjustment of the rates of duty, we hoped to lower the price of salt to 130,000,000 of people, while only 47,000,000 were affected adversely. Rajputana and Central India are now liable to the salt tax, but a portion of the population still obtains its salt free of duty, and another portion pays only half the usual rate. Throughout the greater part of these States the price of salt, independent of the duty, has been greatly diminished, not only directly, but by the extension of railways. The people have further been relieved by the abolition of local transit duties, and by the

abolition of the British duty on sugar taken across the now defunct Inland Customs Line, which yielded £150,000 a year. The Government is now endeavouring to redeem all remaining transit duties on salt in Rajputana and Central India, so that the transport of salt may everywhere be free from restriction.

"91. The Inland Customs Line, on the enormities of which I have so often dilated, finally disappeared at the commencement of the present official year. When I think of this abominable barrier, which was likened to the Great Wall of China, stretching 2,000 miles across the whole of India, so that, if it had been put down in Europe, would have reached from London to Constantinople, with the countless evils that it entailed, I find it difficult not to begin again my old expressions of indignation. However, it is now dead, and I congratulate Your Excellency and the country on the fact. By its disappearance we have saved about £100,000 a year.

"92. I will state to the Council the principal facts in my possession, illustrating the effect produced by our measures on the consumption of salt and on the public revenues.

"We have complete returns for the first ten months of the present year. Comparing these with the returns for the same period in 1877-78, the last year in which the old rates of duty were in force, there has been an increase of consumption, throughout India, amounting to about 2,400,000 maunds; the total consumption in the former period was 20,373,000, and in the latter period 22,776,000 maunds. More than 537,000 maunds of this increase is the increase in Lower Bengal, and nearly 1,900,000 maunds in Northern India. About a third part of the latter is attributed to the consumption in the Native States of Rajputana and Central India. In Madras and Bombay there was a small falling off in the consumption, which fell from 8,850,000 to about 8,654,000 maunds, or by 196,000 maunds. The reduction in Madras is believed to be more apparent than real, because a large number of the population consume untaxed salt. The law relating to salt in the Madras Presidency is as yet very leniently enforced, or is, perhaps, not sufficiently stringent.

"In making the above comparison, I have taken the most unfavourable figures for my own argument that I could find; 1877-78 was the great famine year, but nevertheless for some reason, which I have failed to understand, the amount of salt taxed in Madras in that year was, as I noticed in the last Financial Statement, extraordinarily large.

"If we compare the returns for the first ten months of the present year with those of 1876-77 (and, if I went further back, my case would be still stronger), we find that, taking the whole of India, there has been an increase in the total consumption of 2,718,000 maunds, or from 20,058,000 to more than 22,776,000 maunds; and this increase has been spread over the whole country. In Lower Bengal the consumption has risen from 6,822,000 to 7,682,000 maunds, and, notwithstanding the reduction of duty, the revenue has only fallen off by £30,000, or from £2,220,000 to £2,190,000.

"In Northern India the consumption has risen from 3,775,000 to 5,442,000 maunds, and, in spite of the reduction of duty, the revenue has increased from £1,142,000 to £1,348,000. Even in Madras and Bombay, where the duty was increased, and where the revenue has risen from £1,662,000 to £2,155,000, the consumption has increased from 8,641,000 to 8,654,000 maunds.

"The figures I have just quoted refer to revenue derived from the duty on salt. There are, besides this, large receipts from other heads, such as the sale price of Government salt.

"In 1877-78 the gross salt revenue of the whole year was under 6½ millions sterling; in 1878-79 it had risen to 7 millions; the Regular Estimates for the current year exceed 7⅓ millions, while, for next year, our estimate of salt revenue is 7½ millions. Thus the improvement is expected to be more than one million in four years.

"While the revenue has thus increased, the salt expenditure has diminished from £508,000 in 1875-76 to £404,000 in 1878-79, and is estimated at £368,000 in 1880-81. Against this saving in expenditure, however, must be put £253,000 on account of the annual compensations paid to the Native States and to Portuguese India; this, with £70,000 for the Sambhar Lake, is charged in the public accounts under *Allowances and Assignments.*

"93. I think, my Lord, I may now say confidently that the wisdom of the policy followed in regard to the equalization of the salt duties has been proved by experience. To what extent the increased consumption and lower price of salt throughout the greater part of India have been the consequence of the reduction of the duty, and to what extent they have been attributable to the extension of railways, to the general improvement of communications, the opening out of new markets, and the increase of the population, it is not possible to say; these various influences have, doubtless, all contributed to the result; but it was with the knowledge, and indeed with the certainty, that

all the conditions with which we had to deal were highly favourable to the success of our policy, that we were induced to adopt it.

"94. I must add that we received a few weeks ago a representation from the President of the Salt Chamber of Commerce, Cheshire and Worcestershire, to the effect that one of the results of our late measures has been an increase of the former difference between the rates of duty on Liverpool salt and that produced in Northern India, which places the former at a greater disadvantage than heretofore, and has driven it back from markets in Behar formerly supplied by it. Although, as I have already shown, there has lately been a great increase in the consumption of Liverpool salt in Bengal, careful inquiry is now being made into this subject. But, whatever may be the result of that inquiry, I may say at once that, although the Government cannot, at the present moment, make any further reduction in the Salt Duty in Bengal, it fully recognises the necessity of completing, as soon as possible, the actual equalization of the duty throughout India. It is an essential part of our policy to do so, and I feel sure that the measures which have still to be taken will prove as satisfactory to the country, and as beneficial to the revenue, as those of which I have been describing the results.

"95. When, my Lord, the Financial Statement for 1879-80 was published a year ago, we were far from foreseeing the extraordinary improvement which was about to take place in our financial position, and which we now perceive had even then commenced. The loss caused by the great disturbance in the relative value of gold and silver had reached alarming proportions, and there was nothing to re-assure us regarding the future. We were engaged in war; the surplus which we considered necessary to protect the country against the financial consequences of famine had disappeared; our estimates, apart from the war, showed a surplus of only £605,000. We decided, however (to quote the words of the last Financial Statement), that it was "wise to abstain from imposing any fresh burdens on the country, and to accept the temporary loss of the surplus by which it was hoped that an insurance against famine had been provided."

"96. I see nothing to be ashamed of in our want of foresight. I do not see how we were to know that there would be a great improvement in the exchange, which would last through nearly the whole year, and which, in spite of an increase in our remittances, would better our position by £760,000; that our opium estimate, which we had taken at a higher amount than, with one exception, it had ever been taken at before, would prove, taking both sides of the Account, to be too low by £1,900,000; that in consequence of the most

favourable season which India has known for many years, the increased prosperity of the people, and other causes, every great branch of the public income would show an increase; that we should get £450,000 more from Land Revenue, £335,000 more from salt, and so on.

"97. Although, as I need hardly say, it was not a pleasant task which I had last year to perform, in laying before the Government and the public so unpromising a budget, there are now good reasons for not expressing much regret that we were not gifted with greater powers of foresight. For the result was to make us undertake a most searching examination into every branch of the public expenditure, with the firm resolution that everything superfluous should be ruthlessly sacrificed. The reductions which we have made already, and which we hope still to make, are not the leasts atisfactory part of the year's history.

"The Local Governments throughout India loyally responded to our invitation to co-operate in the task which we had undertaken. We left it entirely to their discretion to decide where they could reduce their expenditure, and exercised no kind of interference in their proceedings. The result of our communications with them was, that, with their full consent in every case, the assignments made to them from the Imperial treasury in the present year have been reduced by £335,000, and a similar reduction will be made in the coming year.

"98. Besides less important savings, which I need not now detail, there has been in the present year a reduction in the Public Works expenditure of £661,000. I hope that £400,000 to £500,000 a year will eventually be permanently saved by getting rid of superfluous establishments. Some explanation is necessary on this subject.

"99. Before any orders to reduce the expenditure on Productive Public Works had been issued by the Secretary of State, or the question of reducing the Ordinary Public Works expenditure had been taken up afresh by the Government of India, it was an acknowledged fact that the strength of our Public Works establishments was enormously in excess of what was necessary. When the Secretary of State ordered, subject to certain conditions, the reduction of our annual expenditure on Productive Public Works to the sum of £2,500,000, this excess became, of course, a still more serious evil. I will not now go into the question of the causes which led to the growth of these needlessly large establishments. It is easy to be wise after the event; they were, for the most part, the result of errors of system which were only

discovered to be errors by experience. However, this may have been, we found ourselves, at the beginning of the present financial year, in this position, that our Public Works establishments were declared by the highest authorities in the Public Works Department to be costing not less than £500,000 a year more than was necessary for the expenditure on Ordinary and on Productive Works which had to be carried on. We therefore resolved that these superfluous establishments must be at once reduced.

"100. The Local Governments and the authorities in the Public Works Department deserve the thanks of the Government of India for the efficient manner in which the serious task of making this great reduction has been performed. I think it will be admitted that the measures of the Government were carried out with the greatest possible consideration for individuals, and that the engineers with whose services we have unwillingly been compelled to dispense have been treated liberally. The reductions actually made will save us £250,000 a year. In the present year there will, of course, be a large set-off on account of pensions and gratuities; it amounts, indeed, to about £280,000; but the greater part of the cost of reduction will be incurred, once for all, in the shape of gratuities.

"Although these great changes in the constitution of the Public Works Department could not be made without some temporary inconvenience, there can be no doubt, I hope, that they will lead to a permanent increase of efficiency. Our difficulties, however, are not over; our Public Works establishments are still larger than they ought to be, and the constant supply of young engineers that pours in from Cooper's Hill will, if it be not speedily stopped, prove a cause of renewed embarrassment, and of useless and serious expense.

"101. Before leaving this subject, there is one important point that I must notice. It will be plain from what I have said, or have still to say to-day, that the Government of India looks with regret on the reduction of expenditure on Productive Public Works, and that it hopes to see that expenditure again increased hereafter. How, it may be asked, holding these opinions and expectations, can you justify this reduction of Public Works establishments? If, hereafter, your expenditure is increased as you hope it will be, you will have deprived yourself of the machinery necessary for the execution of your works.

"102. If, my Lord, this were true, I should, for my own part, have thought our proceedings very foolish; but I am satisfied that we need be under no apprehensions of the kind. I think that I cannot better explain the views of the Gov-

ernment on this subject, than by reading to the Council the following extract from a despatch addressed by the Government of India to the Secretary of State in September last :—

"'Our present difficulties have not disturbed our belief in the great importance of the most rapid possible development of the means of communication and other material improvements in India. * * * * * * * *

"'With these convictions, we should not have acquiesced, without remonstrance, in the absolute permanent restriction to £2,500,000 a year, of our expenditure on the construction of Productive Public Works, if we had understood this to be Your Lordship's intention. * * Accordingly, we have been careful so to frame our proposals for the re-organisation of our establishments, that we shall have no difficulty in hereafter increasing our expenditure on Productive Public Works to any extent which is likely to be considered expedient. We could not have undertaken any reductions not compatible with this condition.

"'The ordinary difficulty of organising an efficient and economical service has been aggravated, in the case of the Public Works Department, by the fluctuations of public policy which have manifested themselves in large variations of the grants made for expenditure in this Department. We need not now enquire into the causes of these fluctuations, and we do not wish to criticise the policy either of the school which advocates a lavish public expenditure on such works, or of that which regards with distrust any such expenditure which can be avoided. It only concerns us now to recognise the fact that we have no reason for expecting, hereafter, more immunity from such alternations of conflicting influences than we have enjoyed heretofore Our duty, therefore, is to anticipate their recurrence, and frame our measures accordingly.

"'Hitherto, our establishments have been organised on a plan which demands, for successful and economical results, a steady and unbroken prosecution of works; engineers having been brought into the service on engagements which have been understood as ensuring to them continuous employment. But such employment is incompatible with the conditions on which we can provide funds for the construction of Productive Public Works; and, clearly, we must now so organise our establishments that their strength may be, at any time, readily reduced or increased. In other words, the cause of our present difficulties being that we have, on the whole, been burdened with establishments in excess of what, with the funds at our disposal, we could constantly and profitably employ, we must, for the future, take care to engage no establishments in excess of the greatest strength for which we can confidently expect to provide constant and full employment, whatever policy as to the material improvement of the country may be in the ascendant.

"'We have resolved, therefore, to organise our permanent establishment, rather upon the model of the staff of a great contractor, supplementing it, as occasion requires, by temporary establishments engaged for particular works only, with no claim to absentee allowances, pensions, employment upon any other works or any of the rights and privileges of a regular establishment. Moreover, we desire to look, more and more, to the employment, upon considerable undertakings, of contractors with large capital, and to the development of the exist-

ing system of petty contracts for petty works. In this way, we expect to avoid a recurrence of the inconvenience from which we are now suffering.

"'We anticipate no difficulty in carrying out the policy thus designed: on the contrary, we believe that, while guarding us against a return of our present embarrassment, this policy will, by encouraging persons to adopt the profession of Civil Engineer, and otherwise, promote the general interests, and be favorable to the extended employment of Natives of India in this department of our service, an object which we have much at heart.'

"103. Before leaving the subject of reduction of expenditure, I have still to mention what I hope may prove hereafter to have been the most important measure of the year. I refer to the appointment of the Special Commission, presided over by Sir Ashley Eden, to inquire into the organisation and expenditure of the army in India. The Report of the Commission is now under the consideration of the Government, and I should be going altogether beyond my own proper business, if I were to attempt in any way to discuss the recommendations which the Commission has made, or to give any opinion as to the extent to which those recommendations may be carried out. But there are some facts to which I may refer without impropriety, and which seem to me highly encouraging. This Commission, presided over by one of the most eminent of Indian statesmen, and including among its members some of our greatest Indian soldiers, has arrived at unanimous conclusions on almost every one of the questions submitted to it. These high authorities believe that the adoption of their proposals would greatly increase the efficiency of the army in peace and war; that it would add to the military strength of the British portion of our forces; that the strength and efficiency of the Native army, as a fighting body, and the popularity of the service, would be increased; that the medical service would be placed in harmony with the true principles of army organisation; that in the departments of the army greater uniformity and power of administration would be obtained; that the great lines of military communication would be improved and made permanently secure; that, under a more scientific system, the troops could be more rapidly and easily mobilised; and that (to quote the words of the Commission) "with improved transport arrangements, with a more thorough knowledge of the vast resources of the country in supply and transport, and with a decentralised military system, the Government of India will be able, provided the details are thoroughly worked out beforehand, to place in the field a force which will be a powerful weapon of offence or defence, while the troops remaining in garrison will be ample to supply a reserve if needed, and to maintain the peace of the country undisturbed." The Commission believes that these great results, by which the efficiency of the army would be immensely increased, could be attained, not only

without additional expense, but with a positive saving to the State of £1,250,000 a year.

"I have not been able to take credit for any part of such savings in the coming year; but I sincerely trust that this most important matter will not be allowed to sleep, and that no feeling that the improvement in our finances has rendered military economy less urgently necessary, will be permitted to cause delay in settling the questions which have been raised. As the Commission, quoting the principles strongly enunciated by Lord Mayo, and reiterated by his successors, has observed, "the people of India ought not to be called upon to support or pay for one unnecessary soldier."

"104. The warning which I have now given, that we ought not to be induced by the improved state of our finances to relax our efforts in the direction of economy, is not true in regard to military expenditure alone. It would be a dangerous mistake to conclude that our prospects are not still uncertain.

"In the Financial Statement for last year, prominent attention was called to the consequences entailed upon India by the violent disturbance of the long standing equilibrium between gold and silver. It was then stated that the Government of India had submitted its views on this subject to the Secretary of State, and, as the Council is aware, Her Majesty's Government did not think it possible to accept our recommendations.

"Although the exchange has, during the present year, been less unfavourable to India than we anticipated, it would be a great error to suppose that our anxiety on this account has been removed, or even seriously diminished. The gravity of the subject can hardly be better illustrated than by this fact, that, even in the present year, which has been comparatively favourable, the charge for Loss by Exchange amounts to £3,188,000, while for the coming year it is estimated at £3,411,000. Ten years ago, in 1869-70, the charge was £142,555. Although the relations between the two metals have, of late, been comparatively steady, yet, as this stability does not rest upon any known foundation, it does not afford ground for confidence in the future relations of the two metals, which, under the existing conditions, cannot be predicted for a single month.

"Obviously we cannot depend on the maintenance of our Opium revenue at its present unprecedentedly high amount. Other causes for a prudent anxiety are not wanting. It is, for example, plainly impossible to say what may be the actual cost, and the future obligations entailed upon us by the war in Afghanistan; although, so far as can now be foreseen, ample provision on this account seems to have been made. Altogether, while our financial prospects

look, on the whole, far brighter than they were a year ago, we cannot say that there are not many causes for anxiety remaining. The prudent view to take is this, that we ought to take advantage of the breathing time that has now been obtained, to set our house in order.

"105. I think, my Lord, that there is only one remaining subject to which I need refer. Attempts have recently been made in England to compare the financial condition of India as it is now with what it was in past periods, and it seems to have been assumed by many persons that, because difficulties are found in making such comparisons without more information than is given in the published abstracts of our accounts, therefore there is something wrong in the structure of our accounts themselves. The fact is that, for many years past, we have been steadily striving to make such improvements in our published abstracts as were called for by changes in financial circumstances, and in order to give fuller information. In this view, heads of accounts which used to be lumped up together have been separated, while others have been consolidated, and, instead of entries showing merely the net result of the differences between revenue and expenditure, the actual revenue and expenditure have been entered on each side of the account respectively.

"106. For example, in Mr. Wilson's Budget Statement in 1860, there were only six revenue heads. The first was "Land Revenue, Sayer and Abkaree," and it included Land, Forest and Excise revenue, all lumped together; then came, separately, "Customs," "Salt" and "Opium;" then "Miscellaneous," a large item of over 4 millions; and lastly, "Receipts from Railway Companies," which at that time were only £330,000. On the expenditure side the charges on account of collecting the revenue on account of Land, Forest, Excise, Customs, Salt, Opium, Post Office and Stamps together with Political Pensions, Allowances, Assignments, and Charitable Grants, were all included under one head; the remaining heads were "Interest on Debt in India;" "Military Charges;" "Marine;" "Civil Charges," which included all Political, Judicial, and Police Establishments, and all Public Works, except Military and Marine; "Miscellaneous;" and "Guaranteed Interest on Railway Capital." The charges incurred in England were not classified at all. In the next year, 1861, the heads of Revenue and Expenditure were re-arranged and somewhat increased in number. The net charges in England were also shown separately.

"From that time the abstract has been, from year to year, improved in the manner I have indicated. In the last few years these changes have been considerable, involving the entry of large amounts on each side of the

Account, which were previously shown net on one side only. For instance, until quite recently, the excess of the Guaranteed Interest on Railway Capital over the net earnings of the Railways was shown in one entry on the expenditure side, instead of the net earnings being entered on the revenue side and the full Guaranteed Interest on the expenditure side; this obvious improvement has caused an addition to each side of the account of some 5 millions sterling. So again, the Provincial Revenue and Expenditure is now entered in the gross, under the appropriate heads, instead of net on one side only of the account. This has added about a million to both sides. Finally, local revenue and expenditure which, although as much public transactions as any other, used to be excluded altogether from the Financial Statements, have now been included, adding more than 2½ millions to each side of the account.

"Thus, under these three heads alone, the totals of our revenue and expenditure have been increased by about 8½ millions, without any addition whatever to our revenue or expenditure. I will not say that our form of abstract is even now perfect; but it gives detailed information which it was impossible to obtain from the abstracts as formerly framed. The improvement of late years has been great, and it is certain that few countries now publish such full and accurate accounts as India. It can hardly be contended that the difficulties which such changes throw in the way of persons who wish to make minor comparisons, ought to have deterred us, or should in future deter us, from rendering our published accounts as perfect and comprehensive in form as possible, or that because our published statements were incomplete ten or twenty years ago they ought to have remained incomplete for ever.

"107. I cannot now take up the time of the Council with any elaborate comparison between our present financial position and that of ten or twenty years ago. As, however, there seems to be an impression that there has been a great increase in the public expenditure, I will briefly compare the accounts of our net expenditure in 1868-69 and 1869-70 with the accounts of 1878-79 and the estimates of 1880-81. That this comparison may be effective, I have eliminated the expenditure from Local Funds, recently incorporated with the rest of the public expenditure, and also the expenditure on the war in Afghanistan. In like manner I have removed, throughout, the credits from the extinct Military Funds. I have then divided the net expenditure thus ascertained into four groups, as follows:—

"*First.*—Land Revenue (except Charges of collection, Surveys and Settlements), Post Office, Administration, Minor Departments, Jails and Penal

Settlements, Law and Justice, Police, Marine, Education, Ecclesiastical, Medical, Stationery, Printing, Political, and Miscellaneous.

"*Second.*—Interest, Loss by Exchange, Furlough Allowances, Pensions and Famine.

"*Third.*—Public Works, Telegraphs, Railways, and Canals.

"*Fourth.*—The Army.

"The whole net expenditure thus classified is as follows:—

	1868-69.	1869-70.	1878-79.	1880-81.
	£	£	£	£
Group I.—Effective civil administration ...	10,042,000	10,489,000	10,997,000	11,255,000
Group II.—Non-effective civil expenditure ...	7,054,000	6,543,000	11,182,000	10,536,000
Group III.—Public Works ...	8,195,000	6,235,000	3,454,000	1,883,000
Group IV.—The Army ...	15,137,000	15,251,000	15,441,000	15,330,000
TOTAL ...	40,428,000	38,518,000	41,074,000	39,004,000

"108. *Group I.*—The effective civil charges proper have increased in the twelve years by about one million sterling, of which £587,000, under the Head of Law and Justice, is due to the development of backward provinces, such as Assam, Burmah and Oudh, and to improved administration; and £233,000, under Education and Medical Services, is to be attributed to the constant demands for more schools and dispensaries. It does not seem to me that either the fact that the whole active civil administration of this great country costs only net 11¼ millions a year, or the increase of its cost in twelve years by one and a quarter million sterling, is indicative of any laxity of financial control or any disregard of the interests of the tax-payers.

"109. *Group II.*—The non-effective civil charges, many of which are not subject to control, show an increase of about 3½ millions, caused mainly by the disturbance of the relative values of gold and silver, but also notably by the growth of the pension list. Notwithstanding the addition of 37¼ millions (net) to our debt, the charge for interest shows little or no increase, the rate of interest having been, by successive operations involving labour and forethought, constantly reduced. The average rate of interest upon the whole debt is now 4·40 per cent.

"110. *Group III.*—The growth of the revenue from Railways, Telegraphs and Canals, and the reduction of the expenditure on Public Works Ordinary has

produced a diminution of the net expenditure in this group of more than six and a quarter millions a year, which therefore largely exceeds the increase in Group II. During this period we have spent 65¼ millions sterling upon Railways, including the Guaranteed Railways, Canals, and Telegraphs. The result shown in the figures here given is remarkable evidence of the manner in which India responds to outlay of this character.

"We have seen that in the coming year, the revenue derived from productive public works is likely to exceed the interest on the capital expended in their construction, together with the working expenses. I have read criticisms, in which the policy of constructing these works has been condemned on the ground that they had not yielded, and in many cases were not likely to yield, any extra profit after fully paying their expenses. But if the Government has succeeded in making these magnificent works for nothing, that is, without throwing any permanent charge for them on the people of India, surely it may well be contented.

"111. *Group IV.*—Although there was an intermediate reduction of the cost of the Army, the net military expenditure here shown is little larger in the later than it was in the earlier years.

"112. Owing to the rapid improvement in the financial results of our Railways, Canals, and Telegraphs, and to economy in the expenditure on public works ordinary, the whole net expenditure shows no increase, but a positive reduction.

"113. Considering that, during this period, the charge for loss by exchange has increased by 3 millions, and that, including the guaranteed railways, we have invested no less than 65¼ millions in productive public works, this, My Lord, is a result of which the Government of India need not be ashamed, and which I earnestly commend to the study of those statesmen who, from motives worthy of all respect, but which appear to me to be founded upon a dangerous misapprehension of facts, would withhold from India those material benefits which are to be obtained only by the expenditure of capital upon the development of her vast resources.

"114. It now, My Lord, only remains for me to make the motion standing against my name. If it be adopted by the Council, it will be equivalent to a resolution that the Trades and Professions Bill shall be dropped altogether, and I shall afterwards ask permission to introduce a new Bill for the amendment of the present law. It will be understood, from what I have said to-day, that it will be a very short and simple measure, and its principal effect will be to

relieve the poorer classes of traders from the taxation to which they are now liable."

The Motion was put and agreed to.

LICENSE ACTS AMENDMENT BILL.

The Hon'ble SIR J. STRACHEY moved for leave to introduce a Bill to amend the law relating to the licensing of trades and dealings. He said:—

"After the explanations that have been given by me in the Financial Statement to-day, I need only occupy the time of the Council for a few minutes in explanation of the small and simple measure which I wish to introduce.

"The reasons for which the amendment of the present law is desirable are these. In the first place, it is thought right to sanction by legislative action the exemptions already proposed, and in some instances already ordered, by the Executive Government, in favour of the poorer classes of tax-payers.

"Secondly, it is desirable that the license-taxes should be collected everywhere, as they are already in Bengal, for the official instead of for the calendar year, although the assessments should continue to be made during the cold season, and as soon as possible after the first January. As the Council will remember, the collections which under the present Acts ought, excepting in Bengal, to have been made in the first three months of the calendar year, were suspended by executive order, until the Financial Statement could be brought forward, and if there were now no legislation, we should lose a great part of the tax for the next financial year. The result of the change now proposed will be that the tax for three months will be relinquished. Thus, a certain small amount of temporary relief has been given.

"It is thought desirable to take the opportunity of removing two or three other defects in the existing law.

"Doubts have arisen in some Provinces whether tea-planters and others are legally liable to the License-tax when they sell the produce of their own land. They have been exempted from payment by executive orders, but it is thought desirable to make it clear that the law imposes on them no such liability.

"As the law now stands, a person carrying on trade in more than one Province or district may sometimes be called on to pay license-fees in more than one place. The Bill will invest the Governor General in Council with power to direct that a person shall be assessed at one place in British India, however numerous may be his places of business.

"I must explain that in Bengal the collections are already made for the financial year, and the second reason that I gave for amending the existing law is therefore not applicable to Bengal. The Bengal Act also provides already for the exemption of tea-planters and others. As there are other matters in which the Bengal Government desires to amend its local Act, it is thought better to make no reference to Bengal in our amending Bill."

The Motion was put and agreed to.

The Hon'ble SIR J. STRACHEY then introduced the Bill.

The Hon'ble SIR J. STRACHEY also applied to His Excellency the President to suspend the Rules for the Conduct of Business.

THE PRESIDENT having declared the Rules suspended,

The Hon'ble SIR J. STRACHEY said:—"The Bill is of so simple a character that it may seem hardly necessary to refer it to a Select Committee, but it is, I think, as well to do so, for its consideration may suggest improvements which have been overlooked. I will only add to what I have said already, that the Bill is really shorter and simpler than it looks. It has been thought desirable so to frame it that the provisions applicable to each Province will fit in to, and form part of, the existing local Acts, for this will be convenient to the local officers, who have to administer the law. The Bill has, therefore, been divided into three parts, applicable to Northern India, Madras and Bombay respectively. The result is that provisions which are virtually the same, appear three times over, and the Bill thus seems longer than it really is. I have already explained why it does not apply to Bengal. I beg now to ask the Council to refer the Bill to the same Committee which was formerly appointed to consider the defunct Trades and Professions Bill, and to move that the Bill be referred to a Committee consisting of the following Members:—

"The Hon'ble Messrs. Stokes, Thompson, Hope and Colvin, the Hon'ble Mahárájá Jotíndra Mohan Tagore, and the Hon'ble Messrs. Batten, Morgan, Paul and the Mover."

His Excellency THE PRESIDENT said, before he put the motion, it might be as well that he should explain that, if this motion was carried, he proposed to adjourn the Council to that day week, in order that all hon'ble Members, who wished to make any observations on the Financial Statement, might have ful

time to consider it. With that explanation, he put the question that the Bill be referred to a Select Committee consisting of the Hon'ble Messrs. Stokes, Thompson, Hope and Colvin, the Hon'ble Mahárájá Jotíndra Mohan Tagore, and the Hon'ble Messrs. Batten, Morgan and Paul and the Mover.

The Motion was put and agreed to.

The Council adjourned to Tuesday, the 2nd March, 1880.

D. FITZPATRICK,
Secretary to the Government of India,
Legislative Department.

CALCUTTA;
The 24th February, 1880.

Government Central Press.—No. 573 L. D.—27-2-80.—250

STATEMENTS.

I.

REVENUE AND EXPENDITURE OF THE GOVERNMENT

Estimates,

REVENUES	Accounts, 1878-79.	Budget Estimates, 1879-80.	Regular Estimates, 1879-80.	Increase.	Decrease.	Budget Estimates, 1880-81.	Budget Estimates, 1880-81, compared with Regular Estimates, 1879-80	
							Increase.	Decrease.
CIVIL	£	£	£	£	£	£	£	£
I.—Land Revenue ...	22,460,803	21,939,000	22,389,000	450,000	.	22,062,000	..	327,000
II.—Tributes ...	703,660	703,000	714,000	11,000	...	698,000	..	16,000
III.—Forest	605,433	672,000	662,000	...	10,000	690,000	28,000	...
IV.—Excise ...	2,619,349	2,742,000	2,765,000	23,000	...	2,782,000	17,000	...
V.—Assessed Taxes ...	900,920	896,000	797,000	...	99,000	535,000	.	262,000
VI.—Provincial Rates ...	2,638,835	2,740,000	2,706,000	...	34,000	2,764,000	58,000	...
VII.—Customs	2,326,561	2,248,000	2,231,000	...	17,000	2,175,000	...	56,000
VIII.—Salt	6,941,120	7,000,000	7,335,000	335,000	...	7,541,000	206,000	...
IX.—Opium	9,399,401	9,000,000	10,459,000	1,459,000	...	9,410,000	...	1,049,000
X.—Stamps	3,110,540	3,087,000	3,203,000	116,000	...	3,194,000	...	9,000
XI.—Registration ...	266,360	267,000	262,000	...	5,000	265,000	3,000	...
XII.—Mint	172,335	180,000	254,000	74,000	...	196,000	...	58,000
XIII.—Post Office ...	911,806	983,000	968,000	...	15,000	1,008,000	40,000	...
XIV.—Telegraph ...	426,694	380,000	486,000	106,000	...	486,000	...	...
XV.—Minor Departments ...	84,968	58,000	98,000	40,000	...	81,000	...	17,000
XVI.—Law and Justice ...	647,130	649,000	663,000	14,000	...	680,000	17,000	...
XVII.—Police ...	211,108	233,000	221,000	...	12,000	232,000	11,000	...
XVIII.—Marine	250,595	206,000	206,000	...	...	226,000	20,000	...
XIX.—Education	147,425	139,000	137,000	...	2,000	137,000	...	...
XX.—Medical	44,332	39,000	54,000	15,000	...	40,000	...	14,000
XXI.—Stationery and Printing	47,096	46,000	52,000	6,000	...	45,000	...	7,000
XXII.—Interest	628,367	634,000	709,000	75,000	...	651,000	...	58,000
XXIII.—Superannuations ...	675,258	526,000	529,000	3,000	...	386,000	...	143,000
XXIV.—Miscellaneous ...	348,554	310,000	324,000	14,000	...	268,000	...	56,000
XXV.—Railways	6,178,134	6,454,000	6,701,000	247,000	...	7,545,000	844,000	...
XXVI.—Irrigatn. & Navigatn.	790,775	788,000	871,000	83,000	...	861,000	...	10,000
XXVII.—Other Public Works ...	571,076	477,000	480,000	3,000	...	471,000	...	9,000
XXVIII.—Provl. & Local Deficits	973	208,000	59,000	...	149,000	247,000	188,000	...
XXIX.—Army	974,773	880,000	924,000	44,000	..	833,000	...	91,000
XXX.—Gain by Exchange ...	133,313	78,000	324,000	246,000	...	237,000	...	87,000
GRAND TOTAL ...	65,207,694	64,562,000	67,583,000	3,021,000	...	66,746,000	...	837,000
Deficit	...	1,395,000	...	...	...	...	...	..

Fort William;
Dept. of Finance and Commerce,
The 24th February 1880.

E. W. KELLNER,
Deputy Comptroller General.

OF INDIA IN INDIA AND IN ENGLAND.

1880-81.

EXPENDITURE.	Accounts, 1878-79.	Budget Estimates, 1879-80.	Regular Estimates, 1879-80.	Increase.	Decrease.	Budget Estimates, 1880-81.	Budget Estimates, 1880-81, compared with Regular Estimates, 1879-80.	
							Increase.	Decrease.
CIVIL.	£	£	£	£	£	£	£	£
1.—Interest on Debt ...	5,982,893	6,353,000	6,039,000	...	314,000	5,739,000	...	300,000
2.—Interest, other Accounts	378,703	386,000	382,000	...	4,000	400,000	18,000	...
3.—Refunds and Drawbacks ...	406,562	356,000	350,000	...	6,000	318,000	...	32,000
4.—Land Revenue ...	2,960,010	3,028,000	2,945,000	...	83,000	2,995,000	50,000	...
5.—Forest ...	454,934	510,000	521,000	11,000	...	532,000	11,000	...
6.—Excise ...	87,839	118,000	110,000	...	8,000	111,000	1,000	...
7.—Assessed Taxes ...	37,617	29,000	35,000	6,000	...	20,000	...	15,000
8.—Provincial Rates ...	64,431	53,000	50,000	...	3,000	53,000	3,000	...
9.—Customs ...	200,417	203,000	201,000	...	2,000	204,000	3,000	...
10.—Salt ...	404,743	383,000	356,000	...	27,000	368,000	12,000	...
11.—Opium ...	1,698,730	2,500,000	2,059,000	...	441,000	2,160,000	101,000	...
12.—Stamps ...	115,452	111,000	113,000	2,000	...	105,000	...	8,000
13.—Registration ...	160,801	155,000	162,000	7,000	...	166,000	4,000	...
14.—Mint ...	103,991	113,000	104,000	...	9,000	111,000	7,000	...
15.—Post Office ...	1,033,327	1,083,000	1,131,000	48,000	...	1,142,000	11,000	...
16.—Telegraph ...	470,790	531,000	492,000	...	39,000	467,000	...	25,000
17.—Administration ...	1,487,665	1,498,000	1,485,000	...	13,000	1,466,000	...	19,000
18.—Minor Departments ...	355,325	375,000	367,000	...	8,000	437,000	70,000	...
19.—Law and Justice ...	3,297,063	3,236,000	3,292,000	56,000	...	3,353,000	61,000	...
20.—Police ...	2,419,119	2,472,000	2,485,000	13,000	...	2,513,000	28,000	...
21.—Marine ...	548,703	546,000	558,000	12,000	...	568,000	10,000	...
22.—Education ...	978,254	1,025,000	972,000	...	53,000	1,016,000	44,000	...
23.—Ecclesiastical ...	155,200	161,000	156,000	...	5,000	159,000	3,000	...
24.—Medical ...	669,059	679,000	673,000	...	6,000	709,000	36,000	...
25.—Stationery and Printing	471,470	536,000	443,000	...	93,000	482,000	39,000	...
26.—Political ...	448,793	426,000	471,000	45,000	...	436,000	...	35,000
27.—Allowces. & Assignments...	1,826,484	1,909,000	1,900,000	...	9,000	1,846,000	...	54,000
28.—Civil Furlough Allces. ...	231,561	232,000	220,000	...	12,000	233,000	13,000	...
29.—Superannuations ...	1,995,520	1,923,000	2,094,000	171,000	...	1,982,000	...	112,000
30.—Miscellaneous ...	293,368	277,000	314,000	37,000	...	264,000	...	50,000
31.—Famine Relief ...	313,420	10,000	99,000	89,000	...	5,000	...	94,000
32.—Railways ...	6,561,827	6,536,000	6,987,000	451,000	...	6,751,000	...	236,000
33.—Irrigation & Navigation...	1,063,037	1,085,000	1,173,000	88,000	...	1,077,000	...	96,000
34.—Other Public Works ...	4,318,247	4,895,000	4,146,000	...	749,000	4,306,000	160,000	...
35.—Provl. & Local Surpluses	716,378	17,000	324,000	307,000	...	131,000	...	193,000
36.—Army ...	17,092,426	18,255,000	21,067,000	2,812,000	...	20,293,000	...	774,000
37.—Loss by Exchange ...	3,359,144	3,952,000	3,188,000	...	764,000	3,411,000	223,000	...
TOTAL ORDINARY ...	63,163,303	65,957,000	67,464,000	1,507,000	...	66,329,000	...	1,135,000
Surplus	2,044,391	...	119,000	1,514,000	...	417,000	298,000	...
38.—Productive Public Works	4,381,898	3,500,000	3,700,000	200,000	...	3,312,000	...	388,000

W. WATERFIELD,
Comptroller General.

R. B. CHAPMAN,
Secy. to the Govt. of India.

II.

REVENUE AND EXPENDITURE OF THE GOVERNMENT

(*Distinguishing Revenue and Charges*

Estimates,

REVENUE.	Accounts, 1878-79.	Budget Estimates, 1879-80.	Regular Estimates, 1879-80.	Increase.	Decrease.	Budget Estimates, 1880-81.	Budget Estimates, 1880-81, compared with Regular Estimates, 1879-80. Increase.	Decrease.
	£	£	£	£	£	£	£	£
CIVIL.								
I.—Land Revenue ...	22,323,869	21,778,000	21,679,000	...	99,000	21,359,000	...	320,0
II.—Tributes	703,660	703,000	714,000	11,000	...	698,000	...	16,000
III.—Forest	605,433	672,000	662,000	...	10,000	690,000	28,000	...
IV.—Excise	2,619,349	2,742,000	2,765,000	23,000	...	2,782,000	17,000	...
V.—Assessed Taxes ...	900,920	896,000	797,000	...	99,000	535,000	...	262,000
VI.—Provincial Rates ...	2,638,835	2,740,000	2,706,000	...	34,000	2,764,000	58,000	...
VII.—Customs	2,326,561	2,248,000	2,231,000	...	17,000	2,175,000	...	56,000
VIII.—Salt	6,941,120	7,000,000	7,335,000	335,000	...	7,541,000	206,000	...
IX.—Opium	9,399,401	9,000,000	10,459,000	1,459,000	...	9,410,000	...	1,049,000
X.—Stamps	3,110,540	3,087,000	3,203,000	116,000	...	3,194,000	...	9,000
XI.—Registration ...	266,360	267,000	262,000	...	5,000	265,000	3,000	...
XII.—Mint	172,335	180,000	254,000	74,000	...	196,000	...	58,000
XIII.—Post Office ...	911,806	983,000	968,000	...	15,000	1,008,000	40,000	...
XIV.—Telegraph ...	426,694	380,000	486,000	106,000	...	486,000	...	...
XV.—Minor Departments...	84,968	58,000	98,000	40,000	...	81,000	...	17,000
XVI.—Law and Justice ...	647,130	649,000	663,000	14,000	...	680,000	17,000	...
XVII.—Police	211,108	233,000	221,000	...	12,000	232,000	11,000	...
XVIII.—Marine	250,595	206,000	206,000	...	...	226,000	20,000	...
XIX.—Education ...	147,425	139,000	137,000	...	2,000	137,000	...	...
XX.—Medical ...	44,332	39,000	54,000	15,000	...	40,000	...	14,000
XXI.—Stationery & Printing	47,096	46,000	52,000	6,000	...	45,000	...	7,000
XXII.—Interest	628,367	634,000	709,000	75,000	...	651,000	...	58,000
XXIII.—Superannuations ...	675,258	526,000	529,000	3,000	...	386,000	...	143,000
XXIV.—Miscellaneous ...	348,554	310,000	324,000	14,000	...	268,000	...	56,000
XXV.—Railways ...	10,822	10,000	...	...	10,000	...	...	...
XXVI.—Irrigation & Navign.	168,619	184,000	192,000	8,000	...	181,000	...	11,000
XXVII.—Other Public Works	571,076	477,000	480,000	3,000	...	471,000	...	9,000
XXVIII.—Provl. & Local Deficits	973	208,000	59,000	...	149,000	247,000	188,000	...
XXIX.—Army	974,773	880,000	924,000	44,000	...	833,000	...	91,000
XXX.—Gain by Exchange ...	133,313	78,000	324,000	246,000	...	237,000	...	87,000
TOTAL ...	58,291,292	57,353,000	59,493,000	2,140,000	...	57,818,000	...	1,675,000
Revenue from Productive Public Works.								
I.—Land Revenue ...	126,934	161,000	710,000	549,000	...	703,000	...	7,000
XXV.—Railways	6,167,312	6,444,000	6,701,000	257,000	...	7,545,000	844,000	...
XXVI.—Irrign. and Navigation	622,156	604,000	679,000	75,000	...	680,000	1,000	...
Total ...	6,916,402	7,209,000	8,090,000	881,000	...	8,928,000	838,000	...
GRAND TOTAL REVENUE ...	65,207,694	64,562,000	67,583,000	3,021,000	...	66,746,000	...	837,0
Deficit	...	1,395,000	...	...	...	...	...	...

Fort William;
Dept. of Finance and Commerce,
The 24th February 1880.

E. W. KELLNER,
Deputy Comptroller General.

OF INDIA IN INDIA AND IN ENGLAND.

of Productive Public Works.)

1880-81.

EXPENDITURE.	Accounts, 1878-79.	Budget Estimates, 1879-80.	Regular Estimates, 1879-80.	Increase.	Decrease.	Budget Estimates, 1880-81.	Budget Estimates, 1880-81, compared with Regular Estimates, 1879-80. Increase.	Decrease.
CIVIL.	£	£	£	£	£	£	£	£
1.—Interest on Debt ...	4,575,069	4,758,000	4,452,000	...	306,000	4,014,000	...	438,000
2.—Interest, other Accounts...	378,703	386,000	382,000	...	4,000	400,000	18,000	...
3.—Refunds and Drawbacks...	406,562	356,000	350,000	...	6,000	318,000	...	32,000
4.—Land Revenue ...	2,960,010	3,028,000	2,945,000	...	83,000	2,995,000	50,000	...
5.—Forest	454,934	510,000	521,000	11,000	...	532,000	11,000	...
6.—Excise	87,839	118,000	110,000	...	8,000	111,000	1,000	...
7.—Assessed Taxes ...	37,617	29,000	35,000	6,000	...	20,000	...	15,000
8.—Provincial Rates ...	64,431	53,000	50,000	...	3,000	53,000	3,000	...
9.—Customs	200,417	203,000	201,000	...	2,000	204,000	3,000	...
10.—Salt	404,743	383,000	356,000	...	27,000	368,000	12,000	...
11.—Opium	1,698,730	2,500,000	2,059,000	..	441,000	2,160,000	101,000	...
12.—Stamps	115,452	111,000	113,000	2,000	...	105,000	...	8,000
13.—Registration	160,801	155,000	162,000	7,000	...	166,000	4,000	...
14.—Mint	103,991	113,000	104,000	...	9,000	111,000	7,000	...
15.—Post Office	1,033,327	1,083,000	1,131,000	48,000	...	1,142,000	11,000	...
16.—Telegraph	470,790	531,000	492,000	...	39,000	467,000	...	25,000
17.—Administration ..	1,487,665	1,498,000	1,485,000	..	13,000	1,466,000	...	19,000
18.—Minor Departments .	355,325	375,000	367,000	...	8,000	437,000	70,000	...
19.—Law and Justice ...	3,297,063	3,236,000	3,292,000	56,000	...	3,353,000	61,000	...
20.—Police .	2,419,119	2,472,000	2,485,000	13,000	...	2,513,000	28,000	...
21.—Marine	548,703	546,000	558,000	12,000	...	568,000	10,000	...
22.—Education	978,254	1,025,000	972,000	...	53,000	1,016,000	44,000	....
23.—Ecclesiastical ...	155,200	161,000	156,000	...	5,000	159,000	3,000	...
24.—Medical .	669,059	679,000	673,000	...	6,000	709,000	36,000	...
25.—Stationery & Printing	471,470	536,000	443,000	...	93,000	482,000	39,000	...
26.—Political	448,793	426,000	471,000	45,000	...	436,000	...	35,000
27.—Allowces. & Assignments	1,826,484	1,909,000	1,900,000	...	9,000	1,846,000	...	54,000
28.—Civil Furlough Allowces.	231,561	232,000	220,000	...	12,000	233,000	13,000	...
29.—Superannuations ...	1,995,520	1,923,000	2,094,000	171,000	...	1,982,000	...	112,000
30.—Miscellaneous ...	293,368	277,000	314,000	37,000	...	264,000	...	50,000
31.—Famine Relief ...	313,420	10,000	99,000	89,000	...	5,000	...	94,000
32.—Railways	226,846	94,000	360,000	266,000	...	304,000	...	56,000
33.—Irrigation & Navigation ...	630,919	644,000	711,000	67,000	...	634,000	...	77,000
34.—Other Public Works .	4,318,247	4,895,000	4,146,000	...	749,000	4,306,000	160,000	...
35.—Provl. & Local Surpluses	716,378	17,000	324,000	307,000	...	131,000	...	193,000
36.—Army	17,092,426	18,255,000	21,067,000	2,812,000	...	20,293,000	...	774,000
37.—Loss by Exchange ...	3,359,144	3,952,000	3,188,000	...	764,000	3,411,000	223,000	...
EXPENDITURE ORDINARY ...	54,988,380	57,479,000	58,788,000	1,309,000	...	57,714,000	...	1,074,000
Expenditure on Productive Public Works (Working Expenses and Interest).								
1.—Interest on Debt ...	1,407,824	1,595,000	1,587,000	...	8,000	1,725,000	138,000	...
32.—Railways	6,334,981	6,442,000	6,627,000	185,000	...	6,447,000	...	180,000
33.—Irrigation and Navigation	432,118	441,000	462,000	21,000	...	443,000	...	19,000
Total ...	8,174,923	8,478,000	8,676,000	198,000	...	8,615,000	...	61,000
GRAND TOTAL ..	63,163,303	65,957,000	67,464,000	1,507,000	...	66,329,000	...	1,135,000
Surplus ...	2,044,391	..	119,000	1,514,000	...	417,000	298,000	...
38.—Productive Public Works	4,381,598	3,500,000	3,700,000	200,000	...	3,312,000	...	388,000

W. WATERFIELD,
Comptroller General.

R. B. CHAPMAN,
Secy. to the Govt. of India.

III.

REVENUE AND EXPENDITURE OF THE GOVERNMENT OF INDIA IN INDIA AND

REVENUE.	Regular Estimates, 1879-80.				Budget Estimates, 1880-81.			
	Imperial.	Provincial.	Local.	Total.	Imperial.	Provincial.	Local.	Total.
	£	£	£	£	£	£	£	£
Opening Balance	...	1,323,500	1,092,700	2,416,200	...	1,331,800	1,336,700	2,668,500
I.—Land Revenue	21,236,200	1,027,300	125,500	22,389,000	20,911,300	1,025,800	124,900	22,062,000
II.—Tributes	714,000	...	...	714,000	698,000	...	...	698,000
III.—Forest	619,700	18,300	24,000	662,000	650,300	16,800	22,900	690,000
IV.—Excise	644,400	2,119,400	1,200	2,765,000	661,500	2,119,400	1,100	2,782,000
V.—Assessed Taxes	600,300	196,700	...	797,000	351,700	183,300	...	535,000
VI.—Provincial Rates	148,200	376,200	2,181,600	2,706,000	169,600	404,600	2,189,800	2,764,000
VII.—Customs	2,016,500	214,500	...	2,231,000	1,962,000	213,000	...	2,175,000
VIII.—Salt	7,318,800	16,200	...	7,335,000	7,522,500	18,500	...	7,541,000
IX.—Opium	10,459,000	...	...	10,459,000	9,410,000	...	...	9,410,000
X.—Stamps	566,800	2,636,200	...	3,203,000	566,800	2,627,200	...	3,194,000
XI.—Registration	600	261,400	...	262,000	900	264,100	...	265,000
XII.—Mint	254,000	...	...	254,000	196,000	...	...	196,000
XIII.—Post Office	965,300	2,300	400	968,000	1,005,500	2,100	400	1,008,000
XIV.—Telegraph	486,000	...	...	486,000	486,000	...	...	486,000
XV.—Minor Departments	51,300	31,000	15,700	98,000	30,300	35,700	15,000	81,000
XVI.—Law and Justice	77,300	577,400	8,300	663,000	77,100	594,800	8,100	680,000
XVII.—Police	100	181,600	39,300	221,000	100	192,900	39,000	232,000
XVIII.—Marine	78,300	127,700	...	206,000	90,800	135,200	...	226,000
XIX.—Education	1,000	110,800	25,200	137,000	1,500	110,300	25,200	137,000
XX.—Medical	2,200	49,500	2,300	54,000	1,900	35,200	2,900	40,000
XXI.—Stationery and Printing ...	13,000	39,000	...	52,000	11,200	33,800	...	45,000
XXII.—Interest	687,900	13,400	7,700	709,000	628,900	15,500	6,600	651,000
XXIII.—Pensions	511,400	12,600	5,000	529,000	368,400	12,600	5,000	386,000
XXIV.—Miscellaneous	67,900	144,100	112,000	324,000	49,900	131,000	87,100	268,000
XXV.—Railways	6,348,500	352,500	...	6,701,000	7,115,000	430,000	...	7,545,000
XXVI.—Irrigation and Navigation ...	322,500	547,600	900	871,000	306,400	553,700	900	861,000
XXVII.—Other Public Works ...	70,400	311,400	98,200	480,000	69,300	300,500	101,200	471,000
XXVIII.—Provl. and Local Deficits ...	59,000	...	...	59,000	247,000	...	...	247,000
XXIX.—Army	924,000	...	...	924,000	833,000	...	...	833,000
XXX.—Gain by Exchange	320,100	3,900	...	324,000	234,400	2,600	...	237,000
	55,564,700	9,371,000	2,647,300	67,583,000	54,657,300	9,458,600	2,630,100	66,746,000
Allotments	...	*4,497,100*	...	...	...	*4,426,700*	...	...
Contributions	*400*	*52,700*	*95,000*	...	*400*	*37,700*	*115,700*	...
Debt	...	...	*6,400*	...	...	...	*100*	...
Total ...	...	13,920,800	2,748,700	...	...	13,923,000	2,745,900	...
Grand Total ...	...	15,244,300	3,841,400	...	...	15,254,800	4,082,600	...
Provincial and Local Deficit ...	...	...	...	...	...	160,300	...	...

Fort William;
Dept. of Finance and Commerce,
The 24th February 1880.

E. W. KELLNER,
Deputy Comptroller-General.

IN ENGLAND IN THE THREE DIVISIONS, IMPERIAL, PROVINCIAL AND LOCAL.

EXPENDITURE.	Regular Estimates, 1879-80.				Budget Estimates, 1880-81.			
	Imperial.	Provincial.	Local.	Total.	Imperial.	Provincial	Local.	Total.
	£	£	£	£	£	£	£	£
1.—Interest	5,352,200	686,800	...	6,039,000	5,010,100	728,900	...	5,739,000
2.—Interest	378,700	500	2,800	382,000	396,600	600	2,800	400,000
3.—Refunds and Drawbacks ...	193,200	150,900	5,900	350,000	190,700	121,200	6,100	318,000
4.—Land Revenue	872,000	1,586,900	486,100	2,945,000	862,600	1,628,400	504,000	2,995,000
5.—Forest	488,200	15,300	17,500	521,000	498,300	13,200	20,500	532,000
6.—Excise	21,900	87,400	700	110,000	22,700	87,400	900	111,000
7.—Assessed Taxes	8,100	26,900	...	35,000	5,000	15,000	...	20,000
8.—Provincial Rates	...	4,400	45,600	50,000	...	5,100	47,900	53,000
9.—Customs	23,000	178,000	...	201,000	22,600	181,400	...	204,000
10.—Salt	300,700	55,300	...	356,000	302,700	65,300	...	368,000
11.—Opium	2,059,000	...	...	2,059,000	2,160,000	...	...	2,160,000
12.—Stamps	51,600	61,400	...	113,000	42,800	62,200	...	105,000
13.—Registration	600	161,400	...	162,000	800	165,200	...	166,000
14.—Mint	104,000	...	...	104,000	111,000	...	...	111,000
15.—Post Office	1,044,000	31,600	55,400	1,131,000	1,050,800	31,600	59,600	1,142,000
16.—Telegraph	492,000	...	...	492,000	467,000	...	...	467,000
17.—Administration	911,700	563,100	10,200	1,485,000	881,200	572,800	12,000	1,466,000
18.—Minor Departments	250,400	83,000	33,600	367,000	312,700	90,200	34,100	437,000
19.—Law and Justice	583,400	2,708,500	100	3,292,000	583,700	2,769,200	100	3,353,000
20.—Police	61,400	2,174,700	248,900	2,485,000	72,800	2,166,600	273,600	2,513,000
21.—Marine	423,700	134,300	...	558,000	409,200	158,800	...	568,000
22.—Education	11,400	701,300	259,300	972,000	11,300	720,100	284,600	1,016,000
23.—Ecclesiastical	115,700	40,300	...	156,000	119,400	39,600	...	159,000
24.—Medical	166,500	421,500	85,000	673,000	171,800	435,300	101,900	709,000
25.—Stationery and Printing ...	86,700	355,100	1,200	443,000	122,600	358,100	1,300	482,000
26.—Political	470,500	400	100	471,000	435,500	400	100	436,000
27.—Allowances	1,237,100	662,900	...	1,900,000	1,193,400	652,600	...	1,846,000
28.—C. F. & A. Allowances	219,500	500	...	220,000	232,500	500	...	233,000
29.—Superannuation	1,944,500	148,800	700	2,094,000	1,835,700	146,000	300	1,982,000
30.—Miscellaneous	104,600	134,400	75,000	314,000	71,000	112,800	80,200	264,000
31.—Famine Relief	98,900	100	...	99,000	5,000	...	...	5,000
32.—Railways	6,694,500	292,500	...	6,987,000	6,465,100	285,900	...	6,751,000
33.—Irrigation and Navigation ...	761,100	407,500	4,400	1,173,000	645,800	421,200	10,000	1,077,000
34.—Other Public Works	1,478,900	1,573,200	1,093,900	4,146,000	1,475,800	1,613,000	1,217,200	4,306,000
35.—P. & L. Surpluses	324,000	...	...	324,000	131,000	...	...	131,000
6.—Army	21,067,000	...	...	21,067,000	20,293,000	...	...	20,293,000
7.—Loss by Exchange	3,188,000	...	...	3,188,000	3,411,000	...	...	3,411,000
S.	51,588,700	13,448,900	2,426,400	67,464,000	50,023,200	13,648,600	2,657,200	66,329,000
Special Contributions to Imperial Treasury	...	*335,000*	...	...	...	*335,000*	...	...
Contributions	...	*128,600*	*59,400*	...	...	*99,700*	*44,100*	...
Debt	...	...	*18,900*	...	...	...	*31,100*	...
Total ...	...	13,912,500	2,504,700	...	...	14,083,300	2,732,[illegible]	...
Closing Balance	...	1,331,800	1,336,700	2,668,500	...	1,171,500	1,350,200	2,521,700
GRAND TOTAL ...	...	15,244,300	3,841,400	...	...	15,254,800	4,082,600	...
Provincial and Local Surplus ...	...	8,300	256,500	...	...	...	44,500	

W. WATERFIELD,
Comptroller General.

R. B. CHAPMAN,
Secy. to the Govt. of India.

IV.

RECEIPTS AND DISBURSEMENTS AT THE TREASURIES OF

RECEIPTS.	Accounts, 1878-79.	Budget Estimates, 1879-80.	Regular Estimates, 1879-80.	Increase.	Decrease.	Budget Estimates, 1880-81.	Budget Estimates, 1880-81, compared with Regular Estimates, 1879-80. Increase.	Decrease.
	£	£	£	£	£	£	£	£
I.—Balance ...	15,574,959	14,200,000	13,910,078	...	289,922	16,000,000	2,089,922	...
II.—Imperial revenue ...	65,207,694	64,562,000	67,583,000	3,021,000	...	66,746,000	...	837,000
III.—Provincial and local surplus ...	716,378	17,000	324,000	307,000	...	131,000	...	193,000
IV.—Service funds, civil ...	616,401	603,000	591,000	...	12,000	603,000	12,000	...
V.—Service funds, military	...	...	...	...	...	...	...	...
VI.—Loans to native states, corporations and individuals repaid ...	228,361	216,000	1,078,000	862,000	...	213,000	...	865,000
VII.—Savings banks' deposits	677,946	730,000	765,000	35,000	...	793,000	28,000	...
VIII.—Other deposits received & advances recovered	16,853,867	12,433,000	12,701,000	268,000	...	12,606,000	...	95,000
IX.—Local remittances ...	167,330	456,000	178,000	...	278,000	86,000	...	92,000
X.—Inter-provincial and inter-departmental transactions ...	17,967,362	25,000,000	25,663,000	663,000	...	26,019,000	356,000	...
XI.—Remittance account with the home treasury ...	1,891,108	1,196,000	1,486,000	290,000	...	1,183,000	...	303,000
XII.—Secretary of state's bills on India sold*	15,464,758	15,000,000	15,750,000	750,000	...	16,900,000	1,150,000	...
XIII.—Political and trust funds ...	267,380	384,000	74,000	...	310,000	83,000	9,000	...
XIV.—Public debt incurred*	8,070,758	8,009,500	13,138,000	5,128,500	...	2,833,000	...	10,305,000
XV.—Treasury notes ...	262,636	218,000	195,000	...	23,000	308,000	113,000	...
XVI.—Guaranteed railway capital received ...	3,184,677	3,073,000	2,842,000	...	231,000	1,709,000	...	1,133,000
TOTAL ...	147,151,615	146,097,500	156,278,078	10,180,578	...	146,213,000	...	10,065,078

* The Estimates in this Statement of the amounts to be borrowed and to be supplied to the Home Treasury by Bills in 1880-81 are the that the Secretary of State will raise by Bills the exact amount stated ;

Abstract of the above showing how the

ACCOUNTS, 1878-79.	£		£	REGULAR ESTI	£
Surplus of provincial and local revenue ...	715,405	Deficit of imperial revenue	2,337,507	Surplus of provincial and local revenue ...	265,00
Service funds, civil ...	96,375	Service funds, military ...	349,940	Service funds, civil ...	170,00
Political and trust funds	6,924	Loans to native states, corporations and individuals	1,048,705	Savings banks' deposits ...	117,000
Public debt incurred ...	4,199,268	Savings banks' deposits withdrawn	12,934	Deposits ...	264,000
Treasury notes ...	122,750	Deposits repaid ...	1,630,876	Public debt incurred ...	5,131,000
Balance reduced ...	1,664,881	Secretary of state's bills discharged ...	1,271,110	Treasury notes ...	156,000
		Guaranteed railway capital withdrawn ...	154,531	Guaranteed railway capital received	[illegible]2,000
TOTAL ...	6,805,603	TOTAL ...	6,805,603	TOTAL ...	6,285,000

Fort William;
Dept. of Finance and Commerce,
The 24th February 1880.

E. W. KELLNER
Deputy Comptroller General.

THE GOVERNMENT OF INDIA IN INDIA AND IN ENGLAND.

DISBURSEMENTS.	ACCOUNTS, 1878-79.	BUDGET ESTIMATES, 1879-80.	REGULAR ESTIMATES, 1879-80.	INCREASE.	DECREASE.	BUDGET ESTIMATES, 1880-81.	BUDGET ESTIMATES, 1880-81, COMPARED WITH REGULAR ESTIMATES, 1879-80.	
							Increase.	Decrease.
	£	£	£	£	£	£	£	£
1.—IMPERIAL EXPENDITURE ...	67,545,201	69,457,000	71,164,000	1,707,000	...	69,641,000	...	1,523,000
2.—PROVINCIAL AND LOCAL DEFICITS	973	208,000	59,000	...	149,000	247,000	188,000	...
3.—SERVICE FUNDS, CIVIL ...	520,026	453,000	421,000	...	32,000	451,000	30,000	...
4.—SERVICE FUNDS, MILITARY ...	349,940	214,000	220,000	6,000	...	32,000	...	188,000
5.—LOANS ADVANCED TO NATIVE STATES, CORPORATIONS AND INDIVIDUALS ...	1,277,066	416,000	1,251,000	835,000	...	232,000	...	1,019,000
6.—SAVINGS BANKS' DEPOSITS WITHDRAWN ...	690,880	700,000	648,000	...	52,000	669,000	21,000	...
7.—OTHER DEPOSITS REPAID AND ADVANCES MADE ...	18,484,743	12,247,000	12,437,000	190,000	...	12,170,000	...	267,000
8.—LOCAL REMITTANCES ...	42,079	837,000	...	...	837,000	...	...	...
9.—INTER-PROVINCIAL AND INTER-DEPARTMENTAL TRANSACTIONS ...	19,566,018	24,525,000	25,539,078	1,014,078	...	26,667,000	1,127,922	...
10.—REMITTANCE ACCOUNT WITH THE HOME TREASURY ...	1,688,813	1,290,000	1,949,000	659,000	...	1,252,000	...	697,000
11.—SECRETARY OF STATE'S BILLS ON INDIA PAID ...	15,464,758	15,000,000	15,750,000	750,000	...	16,900,000	1,150,000	...
12.—POLITICAL AND TRUST FUNDS	260,456	368,000	134,000	...	234,000	151,000	17,000	...
13.—PUBLIC DEBT DISCHARGED ...	3,871,490	3,683,000	8,007,000	4,324,000	...	2,127,000	...	5,880,000
14.—TREASURY NOTES ...	139,886	126,500	39,000	...	87,500	33,000	...	6,000
15.—GUARANTEED RAILWAY CAPITAL WITHDRAWN ...	3,339,208	3,073,000	2,660,000	...	413,000	2,391,000	...	269,000
16.—BALANCE ...	13,910,078	13,500,000	16,000,000	2,500,000	...	13,250,000	...	2,750,000
TOTAL ...	147,151,615	146,097,500	156,278,078	10,180,578	...	146,213,000	...	10,065,078

best that can now be made; but they are subject to modification as the year goes on; the Government must not be understood to pledge itself or that the exact amount stated will be borrowed during the year.

Ways and Means are provided.

MATES, 1879-80.

	£
DEFICIT OF IMPERIAL REVENUE ...	3,581,000
SERVICE FUNDS, MILITARY ...	220,000
LOANS TO NATIVE STATES, CORPORATIONS AND INDIVIDUALS	173,000
POLITICAL AND TRUST FUNDS	60,000
REMITTANCES ...	161,078
BALANCE INCREASED ...	2,089,922
TOTAL ...	6,285,000

BUDGET ESTIMATES, 1880-81.

	£
SERVICE FUNDS, CIVIL ...	152,000
SAVINGS BANKS' DEPOSITS ...	124,000
DEPOSITS ...	436,000
PUBLIC DEBT INCURRED ...	706,000
TREASURY NOTES ...	275,000
BALANCE REDUCED ...	2,750,000
TOTAL ...	4,443,000

	£
DEFICIT OF IMPERIAL REVENUE	2,895,000
DEFICIT OF PROVINCIAL AND LOCAL REVENUE ...	116,000
SERVICE FUNDS, MILITARY ...	32,000
LOANS TO NATIVE STATES, CORPORATIONS AND INDIVIDUALS	19,000
REMITTANCES ...	631,000
POLITICAL AND TRUST FUNDS	68,000
GUARANTEED RAILWAY CAPITAL WITHDRAWN ...	682,000
TOTAL ...	4,443,000

W. WATERFIELD,
Comptroller General.

R. B. CHAPMAN,
Secy. to the Govt. of India.

V.

REVENUE AND EXPENDITURE OF THE

Estimates,

REVENUE.	Accounts, 1878-79.	Budget Estimates, 1879-80.	Regular Estimates, 1879-80.	Increase.	Decrease.	Budget Estimates, 1880-81.	Budget Estimates, 1880-81, compared with Regular Estimates, 1879-80. Increase.	Decrease.
CIVIL.	£	£	£	£	£	£	£	£
I.—Land Revenue ...	22,323,869	21,778,000	21,679,000	...	99,000	21,359,000	...	320,000
II.—Tributes	703,660	703,000	714,000	11,000	...	698,000	...	16,000
III.—Forest	603,939	670,400	660,600	...	9,800	688,400	27,800	...
IV.—Excise	2,619,349	2,742,000	2,765,000	23,000	...	2,782,000	17,000	...
V.—Assessed Taxes ...	900,920	896,000	797,000	...	99,000	535,000	...	262,000
VI.—Provincial Rates ...	2,638,835	2,740,000	2,706,000	...	34,000	2,764,000	58,000	...
VII.—Customs	2,326,561	2,248,000	2,231,000	...	17,000	2,175,000	...	56,000
VIII.—Salt	6,941,120	7,000,000	7,335,000	335,000	...	7,541,000	206,000	...
IX.—Opium	9,399,401	9,000,000	10,459,000	1,459,000	...	9,410,000	...	1,049,000
X.—Stamps	3,110,540	3,087,000	3,203,000	116,000	...	3,194,000	...	9,000
XI.—Registration ...	266,360	267,000	262,000	...	5,000	265,000	3,000	...
XII.—Mint	172,283	180,000	254,000	74,000	...	196,000	...	58,000
XIII.—Post Office ...	911,806	983,000	968,000	...	15,000	1,008,000	40,000	...
XIV.—Telegraph ...	403,627	357,000	460,300	103,300	...	463,100	2,800	...
XV.—Minor Departments ...	60,142	32,400	59,500	27,100	...	61,700	2,200	...
XVI.—Law and Justice ...	647,130	649,000	663,000	14,000	...	680,000	17,000	...
XVII.—Police	211,108	233,000	221,000	...	12,000	232,000	11,000	...
XVIII.—Marine	250,595	206,000	203,000	...	3,000	226,000	23,000	...
XIX.—Education	147,425	139,000	137,000	...	2,000	137,000	...	...
XX.—Medical ...	42,419	37,500	52,000	14,500	...	38,200	...	13,800
XXI.—Stationery and Printing	47,096	46,000	52,000	6,000	...	45,000	...	7,000
XXII.—Interest	612,934	624,000	701,500	77,500	...	641,000	...	60,500
XXIII.—Superannuation Contributions	571,871	430,500	430,500	...	...	291,700	...	138,800
XXIV.—Miscellaneous ...	334,693	306,100	315,000	8,900	...	262,000	...	53,000
XXV.—Railways	10,822	10,000	...	...	10,000	...	...	...
XXVI.—Irrigation and Navigation	168,619	184,000	192,000	8,000	...	181,000	...	11,000
XXVII.—Other Public Works ...	554,295	461,000	464,600	3,600	...	456,700	...	7,900
XXVIII.—Provincial and Local Deficit ...	973	208,000	59,000	...	149,000	247,000	188,000	...
XXIX.—Army	926,962	844,500	858,300	13,800	...	800,200	...	58,100
XXX.—Gain by Exchange ...	133,313	78,000	324,000	246,000	...	237,000	...	87,000
TOTAL ...	58,042,667	57,140,400	59,226,300	2,085,900	...	57,615,000	...	1,611,300
Revenue from Productive Public Works.								
I.—Land Revenue ...	126,934	161,000	710,000	549,000	...	703,000	...	7,000
XXV.—Railways	6,167,312	6,444,000	6,701,000	257,000	...	7,545,000	844,000	...
XXVI.—Irrign. and Navigation	621,604	603,500	678,000	74,500	...	679,200	1,200	...
Total ...	6,915,850	7,208,500	8,089,000	880,500	...	8,927,200	838,200	...
GRAND TOTAL ...	64,958,517	64,348,900	67,315,300	2,966,400	...	66,542,200	...	773,100

Fort William;
DEPT. OF FINANCE AND COMMERCE,
The 24th February 1880.

E. W. KELLNER,
Deputy Comptroller General.

GOVERNMENT OF INDIA IN INDIA.

1880-81.

EXPENDITURE.	Accounts, 1878-79.	Budget Estimates, 1879-80.	Regular Estimates, 1879-80.	Increase.	Decrease.	Budget Estimates, 1880-81.	Budget Estimates, 1880-81, compared with Regular Estimates, 1879-80. Increase.	Decrease.
CIVIL.	£	£	£	£	£	£	£	£
1.—Interest on Debt ...	1,981,957	2,089,500	1,862,600	...	226,900	1,644,100	...	218,500
2.—Interest, other Accounts	377,827	385,000	380,600	...	4,400	398,400	17,800	...
3.—Refunds and Drawbacks ...	406,562	356,000	350,000	...	6,000	318,000	...	32,000
4.—Land Revenue ...	2,958,316	3,025,300	2,944,100	...	81,200	2,994,400	50,300	...
5.—Forest	451,106	505,900	516,200	10,300	...	527,600	11,400	...
6.—Excise	87,839	118,000	110,000	...	8,000	111,000	1,000	...
7.—Assessed Taxes ...	37,617	29,000	35,000	6,000	...	20,000	...	15,000
8.—Provincial Rates ...	64,431	53,000	50,000	...	3,000	53,000	3,000	...
9.—Customs	200,417	203,000	201,000	...	2,000	204,000	3,000	...
10.—Salt	404,743	383,000	356,000	...	27,000	368,000	12,000	...
11.—Opium	1,697,792	2,499,100	2,058,700	...	440,400	2,159,500	100,800	...
12.—Stamps	73,807	74,900	76,900	2,000	...	77,500	600	...
13.—Registration	160,801	155,000	162,000	7,000	...	166,000	4,000	...
14.—Mint	94,607	87,300	83,300	...	4,000	91,500	8,200	...
15.—Post Office	941,971	983,300	1,005,600	22,300	...	1,043,800	38,200	...
16.—Telegraph	388,313	392,200	385,200	...	7,000	380,900	...	4,300
17.—Administration ...	1,269,500	1,279,600	1,271,900	...	7,700	1,245,500	...	26,400
18.—Minor Departments ...	328,265	346,600	336,100	...	10,500	415,100	79,000	...
19.—Law and Justice ...	3,295,968	3,234,500	3,290,100	55,600	...	3,350,900	60,800	...
20.—Police	2,419,119	2,472,000	2,485,000	13,000	...	2,513,000	28,000	...
21.—Marine	404,700	396,900	385,800	...	11,100	419,000	33,200	...
22.—Education	977,100	1,024,500	971,600	...	52,900	1,015,800	44,200	...
23.—Ecclesiastical	153,562	159,900	154,700	...	5,200	158,600	3,900	...
24.—Medical	661,851	679,000	665,000	...	14,000	701,400	36,400	...
25.—Stationery and Printing...	283,446	345,900	328,700	...	17,200	415,700	87,000	...
26.—Political	435,858	375,700	428,200	52,500	...	393,000	...	35,200
27.—Allowances and Assigns....	1,792,419	1,887,900	1,878,900	...	9,000	1,824,900	...	54,000
28.—Civil Furlo. Allowances	4,482	2,000	4,000	2,000	...	3,000	...	1,000
29.—Superannuations ...	683,269	634,000	764,200	130,200	...	646,300	...	117,900
30.—Miscellaneous ...	266,220	245,000	294,000	49,000	...	243,300	...	50,700
31.—Famine Relief... ...	312,823	10,000	99,000	89,000	...	5,000	...	94,000
32.—Railways ...	226,846	94,000	360,000	266,000	...	304,000	...	56,000
33.—Irrigation and Navigation	629,308	643,800	710,800	67,000	...	633,800	...	77,000
34.—Other Public Works ...	4,220,707	4,752,200	4,006,400	...	745,800	4,216,500	210,100	...
35.—Provincial & Local Surplus	716,378	17,000	324,000	307,000	...	131,000	...	193,000
36.—Army	13,109,553	14,135,300	16,448,600	2,313,300	...	15,171,900	...	1,276,700
37.—Loss by Exchange ...	3,359,144	3,952,000	3,188,000	...	764,000	3,411,000	223,000	...
TOTAL ...	45,878,524	48,027,300	48,972,200	944,900	...	47,776,400	...	1,195,800
Expenditure on Productive Public Works (Working expenses and Interest).								
1.—Interest on Debt ...	1,407,824	1,595,000	1,587,000	...	8,000	1,725,000	138,000	...
32.—Railways	1,645,705	1,697,500	1,890,200	192,700	...	1,855,000	...	35,200
33.—Irrigation and Navigation	382,007	391,000	412,000	21,000	...	393,000	...	19,000
Total ...	3,435,536	3,683,500	3,889,200	205,700	...	3,973,000	83,800	...
GRAND TOTAL ...	49,314,060	51,710,800	52,861,400	1,150,600	...	51,749,400	...	1,112,000
38.—Productive Public Works	3,689,029	2,720,700	3,066,700	346,000	...	1,906,000	...	1,160,700

W. WATERFIELD,
Comptroller General.

R. B. CHAPMAN,
Secy. to the Govt. of India.

VI.

REVENUE AND EXPENDITURE OF THE HOME

Estimates,

REVENUE.	ACCOUNTS, 1878-79.	BUDGET ESTIMATES, 1879-80.	REGULAR ESTIMATES, 1879-80.	INCREASE.	* DECREASE.	BUDGET ESTIMATES, 1880-81.	BUDGET ESTIMATES, 1880-81, COMPARED WITH REGULAR ESTIMATES, 1879-80.	
							Increase.	Decrease.
	£	£	£	£	£	£	£	£
III.—FOREST	1,494	1,600	1,400	...	200	1,600	200	...
XII.—MINT	52	...	...	...	...	...	...	...
XIV.—TELEGRAPH ...	23,067	23,000	25,700	2,700	...	22,900	...	2,800
XV.—MINOR DEPARTMENTS	24,826	25,600	38,500	12,900	...	19,300	...	19,200
XVII.—MARINE ...	...	...	3,000	3,000	...	...	...	3,000
XX.—MEDICAL ...	1,913	1,500	2,000	500	...	1,800	...	200
XXII.—INTEREST ...	15,433	10,000	7,500	...	2,500	10,000	2,500	.....
XXIII.—SUPERANNUATION CONTRIBUTIONS ...	103,387	95,500	98,500	3,000	...	94,300	...	4,200
XXIV.—MISCELLANEOUS ...	13,861	3,900	9,000	5,100	...	6,000	...	3,000
XXVII.—OTHER PUBLIC WORKS ...	16,781	16,000	15,400	...	600	14,300	...	1,100
XXIX.—ARMY ...	47,811	35,500	65,700	30,200	...	32,800	...	32,900
TOTAL ...	248,625	212,600	266,700	54,100	...	203,000	...	63,700
Revenue from Productive Public Works.								
XXVI.—IRRIGATION ...	552	500	1,000	500	...	800	...	200
TOTAL ...	249,177	213,100	267,700	54,600	...	203,800	...	63,900

FORT WILLIAM;
DEPT. OF FINANCE AND COMMERCE,
The 24th February 1880.

E. W. KELLNER,
Deputy Comptroller General.

TREASURY OF THE GOVERNMENT OF INDIA.

1880-81.

EXPENDITURE.	Accounts, 1878-79.	Budget Estimates, 1879-80.	Regular Estimates, 1879-80.	Increase.	Decrease.	Budget Estimates, 1880-81.	Budget Estimates, 1880-81, compared with Regular Estimates, 1879-80. Increase.	Decrease.
	£	£	£	£	£	£	£	£
1.—Interest on Debt ...	2,593,112	2,668,500	2,589,400	...	79,100	2,369,900	...	219,500
2.—Interest, other Accounts	876	1,000	1,400	400	...	1,600	200	...
4.—Land Revenue ...	1,794	2,700	900	...	1,800	600	...	300
5.—Forest	3,828	4,100	4,800	700	...	4,400	...	400
11.—Opium	938	900	300	...	600	500	200	...
12.—Stamps	41,646	36,100	36,100	...	...	27,500	...	8,600
14.—Mint	9,384	25,700	20,700	...	5,000	19,500	...	1,200
15.—Post Office ...	91,356	99,700	125,400	25,700	...	98,200	...	27,200
16.—Telegraph ...	82,477	138,800	106,800	...	32,000	86,100	...	20,700
17.—Administration ...	218,164	218,400	213,100	...	5,300	220,500	7,400	...
18.—Minor Departments ...	27,061	28,400	30,900	2,500	...	21,900	...	9,000
19.—Law and Justice ...	1,095	1,500	1,900	400	...	2,100	200	...
21.—Marine	144,003	149,100	172,200	23,100	...	149,000	...	23,200
22.—Education	1,154	500	400	...	100	200	...	200
23.—Ecclesiastical ...	1,638	1,100	1,300	200	...	400	...	900
24.—Medical	7,208	...	8,000	8,000	...	7,600	...	400
25.—Stationery and Printing	188,024	190,100	114,300	...	75,800	66,300	...	48,000
26.—Political	12,935	50,300	42,800	...	7,500	43,000	200	...
27.—Allowances and Assignments	34,065	21,100	21,100	...	...	21,100	...	...
28.—Civil Furlough Allowances	227,079	230,000	216,000	...	14,000	230,000	14,000	...
29.—Superannuations ...	1,312,251	1,289,000	1,329,800	40,800	...	1,335,700	5,900	...
30.—Miscellaneous ...	27,148	32,000	20,000	...	12,000	20,700	700	...
31.—Famine Relief ...	597	...	...	...	...	...	...	...
33.—Irrigation ...	1,611	200	200	...	...	200	...	...
34.—Other Works ...	97,540	142,800	139,600	...	3,200	89,500	...	50,100
36.—Army	3,982,872	4,119,700	4,618,400	498,700	...	5,121,100	502,700	...
TOTAL ...	9,109,856	9,451,700	9,815,800	364,100	...	9,937,600	121,800	...
Expenditure on Productive Public Works.								
32.—Railways	4,689,276	4,744,500	4,736,800	...	7,700	4,592,000	...	144,800
33.—Irrigation ...	50,111	50,000	50,000	...	...	50,000	...	...
TOTAL ...	4,739,387	4,794,500	4,786,800	...	7,700	4,642,000	...	144,800
TOTAL ...	13,849,243	14,246,200	14,602,600	356,400	...	14,579,600	...	23,000
38.—Productive Public Works	692,869	779,300	633,300	...	146,000	1,406,000	772,700	...

W. WATERFIELD,
Comptroller General.

R. B. CHAPMAN,
Secy. to the Govt. of India.

VII.

RECEIPTS AND DISBURSEMENTS AT THE TREASURIES

RECEIPTS.	Accounts, 1878-79.	Budget Estimates, 1879-80.	Regular Estimates, 1879-80.	Increase.	Decrease.	Budget Estimates, 1880-81.	Budget Estimates, 1880-81, compared with Regular Estimates, 1879-80.	
							Increase.	Decrease.
	£	£	£	£	£	£	£	£
I.—Balance	14,498,302	12,988,800	12,792,153	...	196,647	14,193,075	1,400,922	...
II.—Imperial revenue ...	64,958,517	64,348,900	67,315,300	2,966,400	...	66,542,200	...	773,100
III.—Provincial and Local surplus... ...	716,378	17,000	324,000	307,000	...	131,000	...	193,000
IV.—Service funds, civil ...	616,401	603,000	591,000	...	12,000	603,000	12,000	...
V.—Service funds, military	...	...	...	...	...	...	...	...
VI.—Loans to native states, corporations and individuals repaid ...	228,361	216,000	1,078,000	862,000	...	213,000	...	865,000
VII.—Savings banks' deposits...	677,946	730,000	765,000	35,000	...	793,000	28,000	...
VIII.—Other deposits received & advances recovered	16,825,797	12,429,000	12,670,900	241,900	...	12,602,500	...	68,400
IX.—Local remittances ...	167,330	456,000	178,000	...	278,000	86,000	...	92,000
X.—Inter-provincial and inter-departmental transactions ...	17,967,362	25,000,000	25,663,000	663,000	...	26,019,000	356,000	...
XI.—Remittance account with the home treasury ...	1,389,859	1,089,000	1,335,600	246,600	...	1,054,000	...	281,600
XIII.—Political and Trust Funds ...	267,380	384,000	74,000	...	310,000	83,000	9,000	...
XIV.—Public debt incurred*	4,344,174	5,000,000	9,264,500	4,264,500	...	819,700	...	8,444,800
XV.—Treasury Notes ...	262,636	218,000	195,000	...	23,000	308,000	113,000	...
XVI.—Guaranteed railway capital received ...	2,310,878	2,149,700	2,022,600	...	127,100	1,459,000	...	563,600
TOTAL ...	125,231,321	125,629,400	134,269,053	8,639,653	...	124,906,475	...	9,362,578

* The Estimates in this Statement of the amounts to be borrowed and to be supplied to the Home Treasury by Bills in 1880-81 are the that the Secretary of State will raise by Bills the exact amount stated; or that the exact amount stated

Abstract of the above showing how the

ACCOUNTS, 1878-79.

	£		£
Surplus of Imperial revenue ...	11,955,428	Service funds, military ...	349,940
Surplus of Provincial and local revenue ...	715,405	Loans to native states, corporations and individuals	1,048,705
Service funds, civil ...	96,375	Savings banks' deposits withdrawn	12,934
Political and Trust Funds	6,924	Secretary of State's bills paid	15,464,758
Public debt incurred ...	3,847,184	Deposits repaid ...	1,649,656
Treasury Notes ...	122,750	Remittances ...	695,236
Guaranteed railway capital received ...	771,014		
Balance reduced ...	1,706,149		
TOTAL ...	19,221,229	TOTAL ...	19,221,229

REGULAR ESTI

	£
Surplus of Imperial revenue ...	11,387,200
Do. of Provincial and Local ...	265,000
Service funds, civil ...	170,000
Savings banks' deposits ...	117,000
Deposits ...	238,400
Remittances ...	729,022
Public debt incurred ...	3,867,200
Treasury Notes ...	156,000
Guaranteed railway capital received ...	674,160
TOTAL ...	[illegible]

Fort William;
Dept. of Finance & Commerce,
The 24th February 1880.

E. W. KELLNER,
Deputy Comptroller General.

F THE GOVERNMENT OF INDIA IN INDIA.

DISBURSEMENTS.	Accounts, 1878-79.	Budget Estimates, 1879-80.	Regular Estimates, 1879-80.	Increase.	Decrease.	Budget Estimates, 1880-81.	Budget Estimates, 1880-81, compared with Regular Estimates, 1879-80. Increase.	Decrease.
	£	£	£	£	£	£	£	£
1.—Imperial expenditure ...	53,003,089	54,431,500	55,928,100	1,496,600	...	53,655,400	...	2,272,700
2.—Provincial and Local deficits	973	203,000	59,000	...	149,000	247,000	188,000	...
3.—Service funds, civil ...	520,026	453,000	421,000	...	32,000	451,000	30,000	...
4.—Service funds, military ...	349,940	214,000	220,000	6,000	...	32,000	...	188,000
5.—Loans advanced to native states, corporations and individuals ...	1,277,066	416,000	1,251,000	835,000	...	232,000	...	1,019,000
6.—Savings banks' deposits withdrawn ...	690,880	700,000	648,000	...	52,000	669,000	21,000	...
7.—Other deposits repaid and advances made ...	18,475,453	12,243,000	12,432,500	189,500	...	12,166,500	...	266,000
8.—Local remittances ...	42,079	837,000	...	...	837,000	...	...	...
9.—Inter-provincial and inter-departmental transactions ...	19,566,018	24,525,000	25,539,078	1,014,078	...	26,667,000	1,127,922	...
10.—Remittance account with the Home Treasury ...	611,690	256,500	908,500	652,000	...	109,200	...	799,300
11.—Secretary of State's bills on India paid* ...	15,464,758	15,000,000	15,750,000	750,000	...	16,900,000	1,150,000	...
12.—Political and Trust Funds	260,456	368,000	134,000	...	234,000	151,000	17,000	...
13.—Public debt discharged ...	496,990	1,673,500	5,397,300	3,723,800	...	836,700	...	4,560,600
14.—Treasury Notes ...	139,886	126,500	39,000	...	87,500	33,000	...	6,000
15.—Guaranteed railway capital withdrawn ...	1,539,864	1,608,900	1,348,500	...	260,400	1,312,500	...	36,000
16.—Balance ...	12,792,153	12,568,500	14,193,075	1,624,575	...	11,444,175	...	2,748,900
TOTAL ...	125,231,321	125,629,400	134,269,053	8,639,653	...	124,906,475	...	9,362,578

est that can now be made; but they are subject to modification as the year goes on; the Government must not be understood to pledge itself will be borrowed during the year; or that it will be borrowed in India or in England as the case may be.

Ways and Means are provided.

MATES, 1879-80.	£	BUDGET ESTIMATES, 1880-81.	£		£
Service funds, military ...	220,000	Surplus of Imperial revenue	12,886,800	Deficit of Provincial and Local expenditure ...	116,000
Loans to native states, corporations and individuals	173,000	Service funds, civil ...	152,000	Service funds, military ...	32,000
Political and Trust Funds	60,000	Savings banks' deposits ...	124,000	Loans to native states, corporations and individuals	19,000
Secretary of state's bills paid ...	15,750,000	Deposits ...	436,000	Political and Trust Funds	68,000
Balance increased ...	1,40 ,922	Remittances ...	382,800	Debt discharged ...	17,000
		Treasury Notes ...	275,000	Secretary of state's bills paid ..	16,900,000
		Guaranteed railway capital received ...	146,500		
		Balance reduced ...	2,748,900		
TOTAL ...	17,603,922	TOTAL ...	17,152,000	TOTAL ...	17,152,000

W. WATERFIELD,
Comptroller General.

R. B. CHAPMAN,
Secy. to the Govt. of India.

VIII.

RECEIPTS AND DISBURSEMENTS AT THE HOM

RECEIPTS.	Accounts, 1878-79.	Budget Estimates, 1879-80.	Regular Estimates, 1879-80.	Increase.	Decrease.	Budget Estimates, 1880-81.	Budget Estimates, 1880-81 compared with the Regular Estimates, 1879-80. Increase.	Decrease.
	£	£	£	£	£	£	£	£
I.—Balance	1,076,657	1,211,200	1,117,925	...	93,275	1,806,925	689,000	...
II.—Public revenue ...	249,177	213,100	267,700	54,600	...	203,800	...	63,900
VIII.—Deposits received and advances recovered ...	28,070	4,000	30,100	26,100	...	3,500	...	26,600
XI.—Secretary of State's Bills on India sold and bills bought in India	15,464,758	15,000,000	15,750,000	750,000	...	16,900,000	1,150,000	...
XII.—Other miscellaneous remittances from India ...	501,249	107,000	150,400	43,400	...	129,000	...	21,400
XIV.—Public debt incurred* ...	3,726,584	3,009,500	3,873,500	864,000	...	2,013,300	...	1,860,200
XV.—Guaranteed railway capital received	873,799	923,300	819,400	...	103,900	250,000	...	569,400
TOTAL ...	21,920,294	20,468,100	22,009,025	1,540,925	...	21,306,525	...	702,500

* The Estimates in this Statement of the amount to be supplied to the Home Treasury by Bills in 1880-81 and of the Debt transactions are the
the Secretary of State will raise by Bills the exact amount stated, or tha

Abstract of the above showing how the

ACCOUNTS, 1878-79.	£		£	REGULAR EST	£
Net Deposits received and advances recovered ...	18,780	Deficit of Revenue ...	14,292,935	Net Deposits received and Advances recovered ...	25,600
Secretary of State's Bills ...	15,464,758	Net Miscellaneous Remittances	575,874	Secretary of State's Bills ...	15,750,000
Net Public Debt incurred ...	352,084	Net Guaranteed Railway Capital withdrawn ...	925,545	Net Public Debt incurred ...	1,263,800
		Balance increased ...	41,268		
TOTAL ...	15,835,622	TOTAL ...	15,835,622	TOTAL	[illegible]

Fort William;
Dept. of Finance and Commerce.
The 24th February 1880.

E. W. Kellner,
Deputy Comptroller General.

TREASURY OF THE GOVERNMENT OF INDIA.

DISBURSEMENTS.	Accounts, 1878-79.	Budget Estimates, 1879-80.	Regular Estimates, 1879-80.	Increase.	Decrease.	Budget Estimates, 1880-81.	Budget Estimates, 1880-81, compared with the Regular Estimates, 1879-80.	
							Increase.	Decrease.
	£	£	£	£	£	£	£	£
1.—Public Expenditure ...	14,542,112	15,025,500	15,235,900	210,400	...	15,985,600	749,700	...
7.—Deposits repaid and advances made	9,290	4,000	4,500	500	...	3,500	...	1,000
10.—Miscellaneous remittances to India	1,077,123	1,033,500	1,040,500	7,000	...	1,142,800	102,300	...
13.—Public debt discharged ...	3,374,500	2,009,500	2,609,700	600,200	...	1,290,300	...	1,319,400
14.—Guaranteed railway capital withdrawn	1,799,344	1,464,100	1,311,500	...	152,600	1,078,500	...	233,000
15.—Balance	1,117,925	931,500	1,806,925	875,425	...	1,805,825	...	1,100
TOTAL ...	21,920,294	20,468,100	22,009,025	1,540,925	...	21,306,525	...	702,500

best that can now be made; but they are subject to modification as the year goes on; the Government must not be understood to pledge itself that the Debt transactions will be carried but as estimated.

Ways and Means are provided.

MATES, 1879-80.		BUDGET ESTIMATES, 1880-81.			
	£		£		£
Deficit of revenue ...	14,968,200	Secretary of State's Bills	16,900,000	Deficit of Revenue ...	15,781,800
Net Miscellaneous remittances to India ...	890,100	Net Debt incurred ...	723,000	Net Miscellaneous Remittances to India ...	1,013,800
Net Guaranteed railway capital withdrawn ...	492,100	Balance reduced ...	1,100	Net Guaranteed Railway Capital withdrawn ...	828,500
Balances increased ...	689,000				
TOTAL ...	17,039,400	TOTAL ...	17,624,100	TOTAL ...	17,624,100

W. WATERFIELD,
Comptroller General.

R. B. CHAPMAN,
Secy. to the Govt. of India.

IX.

CLOSING BALANCES OF THE PROVINCIAL GOVERNMENTS.

	Regular Estimate, 1879-80.			Budget Estimate, 1880-81.		
	Provincial.	Local.	Total.	Provincial.	Local.	Total.
	£	£	£	£	£	£
India	...	4,900	4,900	...	3,000	3,000
Central Provinces	64,500	40,700	105,200	59,400	34,100	93,500
British Burmah	166,900	49,800	216,700	122,300	47,800	170,100
Assam	16,300	2,600	18,900	25,800	4,300	30,100
Bengal	524,900	256,500	781,400	561,700	324,400	886,100
North-Western Provinces and Oudh	337,200	430,700	767,900	195,600	474,200	669,800
Punjab	86,700	54,400	141,100	98,100	58,500	156,600
Madras	44,100	372,500	416,600	76,200	306,600	382,800
Bombay	91,200	124,600	215,800	32,100	97,300	129,700
Total ...	1,331,800	1,336,700	2,668,500	1,171,500	1,350,200	2,521,700

Fort William;
Dept. of Fince. and Commerce,
The 24th February 1880.

E. W. KELLNER,
Deputy Comptroller General.

W. WATERFIELD,
Comptroller General.

R. B. CHAPMAN,
Secy. to the Govt. of India.

APPENDIX.

TABLE I.—*Miscellaneous.*

	1874-75.	1875-76.	1876-77.	1877-78.	1878-79.	1879-80.	1880-81.
	£	£	£	£	£	£	£
DEFICIT of recorded Revenue compared with whole recorded Expenditure ...	3,930,374	2,601,684	5,992,062	8,334,139	2,337,507	3,581,000	2,895,000
PRODUCTIVE PUBLIC WORKS, Capital Expenditure	4,249,571	4,270,629	3,809,284	4,791,052	4,381,898	3,700,000	3,312,000
Recorded Revenue compared with the recorded Expenditure, excluding Expenditure on Productive Public Works—							
SURPLUS	319,197	1,668,945	... ...	... ...	2,044,391	119,000	417,000
DEFICIT	... ...	... ...	2,182,778	3,543,087			
Net Public Debt incurred	8,398,168	4,109,522	4,750,145	7,345,416	4,199,263	5,131,000	706,000
NET PUBLIC DEBT incurred, including Capital transactions with Guaranteed Railway and other Companies and Native States, &c.	4,382,300	2,878,300	3,317,000	6,496,200	3,209,100	5,523,300	488,000
Value of commodities exported, excluding Gold and Silver	56,359,000	58,091,000	61,014,000	65,222,000	60,937,000		
Value of commodities imported, excluding Gold and Silver	36,222,000	38,887,000	37,428,000	41,464,000	37,800,000		
EXCESS OF EXPORTS OVER IMPORTS, excluding Gold and Silver	20,137,000	19,204,000	23,586,000	23,758,000	23,137,000		
Net imports of Gold	1,874,000	1,545,000	207,000	468,000	(Exports) 896,000		
Net imports of Silver	4,642,000	1,553,000	7,199,000	14,676,000	3,970,000		
TOTAL NET IMPORTS OF GOLD AND SILVER	6,516,000	3,098,000	7,406,000	15,144,000	3,074,000		
Excess of Exports over Imports, including Gold and Silver	13,621,000	16,106,000	16,180,000	8,614,000	20,063,000		
Grand total value of Imports and Exports of all kinds	102,348,000	104,480,000	113,908,000	126,252,000	109 777,000		
SECRETARY OF STATE'S BILLS sold (Rupees) ... . Rs.	11,74,37,000	13,75,00,000	14,85,70,000	11,69,85,000	16,91,24,000	18,90,00,000	20,28,00,000
Sterling Equivalent received .. .. £	10,841,600	12,390,000	12,696,000	10,134,000	13,949,000	15,750,000	16,900,000
SILVER coined at the Indian Mints	4,897,000	2,550,000	6,271,000	16,180,000	7,210,770	8,421,902	
Gold coined in Germany	... ...	12,756,000	2,873,000	7,112,000	5,475,340	1,509,877	
Silver coined in Germany	... ...	6,602,000	9,528,000	1,669,000	88,498	...	
Maximum PRICE OF AN OZ. TROY STANDARD SILVER IN LONDON	59½*d.* (25th April)	57⅝*d.* (27th April)	58⅝*d.* (13th Jan)	55⅛ (8th Oct.)	54¼*d.* (2nd April)	53¾ (Nov.)	
Minimum ditto	57*d.* (9th March)	52⅛*d.* (22nd March)	47*d.* (7th July)	53⅛ (21st June)	48¼*d.* (21st Dec.)	49⅝ (April	
Maximum price of a sovereign in Calcutta ... ... Rs.	10 12 0	11 12 0	13 (7th July)	11 14 0 (5th Sept.)	12 11 (March)	12 11 (May)	
Minimum ditto .. .. "	10 9 0	11	11 Rs. Sas (6th Feb.)	11 4 0 (10th April)	11 11 (11th June)	11 15 (Jan.)	
AVERAGE EXCHANGE upon Secretary of State's Bills sold per rupee ... £	1*s.* 10·22*d.*	1*s.* 9·64*d.*	1*s.* 8·49*d.*	1*s.* 8·79*d.*	1*s.* 7·761*d.*	1*s.* 8*d.*	1*s.* 8*d.*
Fixed RATE OF EXCHANGE for the ADJUSTMENT of transactions between the Indian and Imperial Treasuries	1*s.* 10*d.*	1*s.* 10½*d.*	1*s.* 9¾*d.*	1*s.* 9½*d.*	1*s.* 9*d.*	1*s.* 7½*d.*	1*s.* 8½*d.*
Maximum RATE OF DISCOUNT ON LOANS on demand at the BANK OF BENGAL, Calcutta	11 (11th April)	9 (May)	11 (April)	12 (May)	9 (1st April)	9 (April)	
Minimum ditto	3½ (July to Nov.)	4 (Nov. and Dec.)	8 (Aug. and Sept.)	(Dec. and Jan.)	3 (7th Nov.)	3 (Jan.)	
Maximum RATE OF DISCOUNT at the BANK OF ENGLAND	6 (Dec.)	4 (Oct. and Jan.)	2 throughout the year.	5 (Oct. and Nov.)	6 (Oct. and Nov.)	3 (April to Oct.)	
Minimum ditto	2½ (July)	2 (Aug.)		2 (subsequently.)	2½ (30th May)	2 (Nov. to Feb.)	
Maximum MONEY BALANCES of the three PRESIDENCY BANKS	6,927,800 (July)	7,041,800 (July)	6,382,700 (July)	7,574,900 (Jan.)	6,978,500 (July)	7,703,600 (Feby.)	
Minimum ditto	4,359,200 (May)	4,762,300 (May)	4,132,500 (Oct.)	3,672,200 (April)	4,589,300 (Jan.)	4,150,400 (April)	
Maximum price in Calcutta of Govt. FOUR PER CENT. RUPEE SECURITIES ...	104¾ (15th July)	102¾ (3rd June)	102⅝ (25th July)	98¾ (27th June)	97 (July and Aug.)	95½ (July)	
Minimum ditto	101½ (26th March)	99 (21st March)	96½ (13th Jan.)	92 (8th Sept.)	91½ (March)	91½ (May)	
Maximum amount outstanding on London Register, of RUPEE SECURITIES ENFACED FOR INTEREST DRAFTS	14,214,617 (Nov.)	14,407,861 (Oct.)	14,125,982 (April)	14,588,744	15,950,002 (Feb.)	19,210,709 (Jan.)	
Minimum ditto	13,098,968 (May)	14,111,441 (April)	12,655,322 (Dec.)	13,057,964	13,826,493 (Oct.)	15,908,182 (May)	
Maximum price in London of such securities (in Gold)	98	93½ (7th April)	92 (15th Dec.)	84½ (6th April)	81¾ (1st April)	80¾ (Oct.)	
Minimum ditto	93½	82 (4th March)	77 (8th July)	81½ (23rd Jan.)	72 (23rd Oct.)	71½ (May)	
Maximum price in London of Secretary of State's FOUR PER CENT. STERLING BONDS	104¾ (Feb.)	106½ (6th Aug.)	104¾ (22nd Feb.)	104½ (30th Aug.)	104½ (July & Aug.)	105½	
Minimum ditto	100½ (April)	102¾ (3rd June)	101 (20th Oct.)	100½ (31st Mar.)	97 (Oct.)	100⅝	
Maximum GOVERNMENT PAPER CURRENCY outstanding	11,327,607 (7th Feb.)	12,161,234 (22nd Oct.)	12,551,185 (7th Feb)	15,757,790 (15th Jan.)	14,584,900 (Sept.)	14 329,700 (Jan.)	
Minimum ditto	9,221,438 (7th April)	10,668,628 (7th May)	10,532,294 (15th May)	11,130,528 (30th April)	11,423 600 (March)	11,113,800 (June)	
Number of SAVINGS BANKS	326	330	340	343	336	339	
Number of Depositors in Savings Banks	67,316	73,401	80,004	83,518	84,503	90,084	
Amount deposited in Savings Banks	1,746,793	1,895,452	1,936,193	1,925,335	1,912,401	2,057,639	
Average of each Deposit	25	25	24	23	23	22	
Net addition to Deposits	9,936	148,559	40,741	10,858 (Decrease.)	12,934 (Decrease.)	145,238	
Cash Reserve at the BANK OF FRANCE in December of each year—in 000's of Francs	1,325,300	1,679,300	2,169,000	2,042,500	2,041,700	1,979,017	
Silver ditto ditto	313,200	505,000	638,600	865,400	1,068,100	1,220,501	
Percentage of Silver on the Total Reserve	24	31	30	43	52	62	

APPENDIX.

COMMERCIAL AND FINANCIAL STATISTICS.

TABLE II.—*Sea-borne Trade for the year (Principal articles arranged in order of their declared value).*

No.	EXPORTS.		1874-75.	1875-76.	1876-77.	1877-78.	1878-79.
1	OPIUM—						
	Quantity	Chests.	94,746	88,350	96,870	92,820	91,200
	Value	£	11,956,972	11,148,426	12,404,748	12,374,355	12,993,979
	Average declared value per chest, in Rupees	Rs.	1,262	1,261	1,281	1,333	1,425
2	COTTON—						
	Raw—						
	Quantity	Cwt.	5,600,086	5,009,788	4,557,914	3,459,077	2,966,060
	Value	£	15,257,342	13,278,964	11,746,184	9,383,534	7,913,046
	Average declared value per lb.— Annas		As. 3 11	As. 3 9	As. 3 8	As. 3 10	As. 3 10
	Average declared value per lb.— Pence, at average exchange		5·40	5·13	4·71	4·98	4·7[illegible]
	Twist and Yarn—						
	Quantity	Lbs.	2,834,725	6,228,511	7,926,710	15,600,291	21,332,508
	Value	£	147,562	266,951	367,303	682,059	886,481
	Average declared value per lb.	Annas.	As. 8 4	As. 6 10	As. 7 5	As. 7 0	As. 6 7
	Other manufactures—Value	£	364,812	396,472	445,079	460,674	511,498
	Average declared value per yard— Grey or unbleached	Annas.	...	As. 2 6	As. 2 6	As. 2 3	As. 2 [illegible]
	Average declared value per yard— Coloured, printed, or dyed	"	...	As. 4 9	As. 5 3	As. 4 10	As. 4 [illegible]
	Percentage of manufactures on whole value exported		3·25	4·76	6·47	10·85	15·01
3	RICE AND PADDY—						
	Quantity	Cwt.	17,392,938	20,416,032	19,914,334	18,428,386	21,237,233
	Value	£	4,765,334	5,311,095	5,815,221	6,950,276	8,973,722
	Average declared value of husked rice per cwt.— Rupees		2 0 10	2 2 3	2 15 1	3 12 6	4 4 4
	Average declared value of husked rice per cwt.— Shillings, at average exchange		5·11	4·70	5·02	6·55	7·03
4	JUTE—						
	Raw and manufactured—Value	£	3,485,522	3,294,521	3,356,124	4,289,241	4,898,860
	Average declared value of raw jute per cwt.— Rupees		5 14 7	5 6 2	5 13 1	6 7 3	6 5 0
	Average declared value of raw jute per cwt.— Shillings, at average exchange		10·94	9·72	9·94	11·18	10·39
	Percentage of manufactures on whole value exported		6·85	14·85	21·43	17·97	22·42
5	SEEDS—						
	Quantity	Cwt.	6,074,756	10,506,822	9,582,865	12,187,020	7,200,977
	Value	£	3,235,950	5,461,982	5,319,124	7,360,284	4,675,036
	Average declared value of linseed per cwt.— Rupees		5 0 0	5 4 6	5 5 11	5 13 10	6 3 11
	Average declared value of linseed per cwt.— Shillings, at average exchange		9·27	9·52	9·17	10·16	10·28
6	TEA—						
	Quantity	Lbs.	21,137,087	24,361,599	27,784,124	33,459,075	34,432,573
	Value	£	1,937,429	2,166,417	2,607,425	3,044,571	3,138,424
	Average declared value per lb.— Annas		As. 14 8	As. 14 3	As. 15 0	As. 14 6	As. 14 7
	Average declared value per lb.— Shillings, at average exchange		1·70	1·60	1·60	1·57	1·50
7	HIDES AND SKINS—						
	Quantity	No.	18,162,851	19,433,332	19,792,877	22,916,317	21,223,403
	Value	£	2,677,767	2,943,575	2,998,684	3,756,888	3,096,847
	Percentage of dressed or manufactured to whole value		18·87	40·44	49·77	48·29	42·06
8	INDIGO—						
	Quantity	Cwts.	81,466	110,392	100,384	120,605	105,051
	Value	£	2,576,302	2,875,062	2,962,785	3,494,334	2,960,462
	Average declared value per cwt.— Rupees		316 3 10	260 7 0	295 2 4	289 11 9	281 13 0
	Average declared value per cwt.— Sterling, at average exchange	£	29·27	23·48	25·19	25·09	23·20
9	COFFEE—						
	Quantity	Cwts.	311,831	371,986	302,489	297,327	341,186
	Value	£	1,305,335	1,627,027	1,345,822	1,338,499	1,543,643
	Average declared value per cwt.— Rupees		41 13 9	43 11 10	44 7 10	45 0 3	45 3 11
	Average declared value per cwt.— Shillings, at average exchange		77·51	78·88	75·97	77·98	74·50
10	WOOL—						
	Raw and manufactured—Value	£	1,159,086	1,295,193	1,293,490	1,151,518	1,243,275
	Average declared value of raw wool per lb.— Annas		As. 7 2	As. 7 4	As. 7 2	As. 6 6	As. 6 4
	Average declared value of raw wool per lb.— Pence, at average exchange		9·99	9·95	9·22	8·44	7·82
11	SILK—						
	Raw and manufactured—Value	£	998,450	656,728	1,000,566	854,629	746,687
	Average declared value of raw silk per lb.— Rupees		4 10 1	3 2 9	5 7 8	4 10 5	4 4 7
	Average declared value of raw silk per lb.— Shillings, at average exchange		8·57	5·72	9·25	8·06	7·06
12	WHEAT—						
	Quantity	Cwts.	1,069,076	2,498,185	5,583,336	6,340,150	1,044,709
	Value	£	490,435	901,026	1,956,332	2,856,990	513,778
	Average declared value per cwt.— Rupees		4 9 5	3 9 8	3 8 0	4 8 1	4 14 8
	Average declared value per cwt.— Shillings, at average exchange		8·50	6·51	5·98	7·80	8·09
13	SALTPETRE—						
	Quantity	Cwts.	553,330	415,080	466,218	389,002	382,405
	Value	£	501,468	348,949	381,706	379,002	364,766
	Average declared value per cwt.— Rupees		9 1 0	8 6 7	8 3 0	9 12 11	9 7 4
	Average declared value per cwt.— Shillings, at average exchange		16·78	15·16	13·96	16·88	15·57
14	LAC—						
	Value	£	254,011	755,747	536,976	362,048	298,716
15	TEAK WOOD—						
	Quantity	Cubic Tons.	42,868	60,612	45,108	56,939	37,413
	Value	£	328,564	440,618	332,764	406,652	268,959
	Average declared value per cubic ton— Rupees		76 10 4	72 11 1	73 12 4	71 6 8	71 14 3
	Average declared value per cubic ton— Sterling, at average exchange	£	7·09	6·83	6·29	6·19	5·92
16	SUGAR—						
	Value	£	319,238	253,937	925,196	745,851	201,360

APPENDIX.

COMMERCIAL AND FINANCIAL STATISTICS.

Sea-borne Trade for the year, &c.—continued.

No.	IMPORTS.		1874-75.	1875-76.	1876-77.	1877-78.	1878 79.
1	COTTON—						
	Twist and Yarn—						
	Quantity	Lbs.	37,097,260	31,927,340	33,270,208	36,196,661	33,145,651
	Value	£	3,157,780	2,794,769	2,733,535	2,850,616	2,779,774
	Average declared value per lb. ... ... Annas		...	14·00	13·14	12·60	13·42
	Average declared value per lb. ... ... Pence at average exchange ...		...	1*s.* 6·93*d.*	1*s.* 4·83*d.*	1*s.* 4·37*d.*	1*s.* 4·57*d.*
	Other manufactures—						
	Value	£	16,263,560	16,463,875	16,012,932	17,332,639	14,137,694
	TOTAL COTTON GOODS.—Gross Imports ...	£	19,421,340	19,258,644	18,746,467	20,183,255	16,917,468
	Re-exports—						
	Twist and Yarn—						
	Quantity	*Lbs.*	*781,220*	*792,668*	*839,539*	*934,437*	*754,648*
	Value	£	*56,249*	*57,424*	*58,423*	*62,733*	*51,217*
	Other manufactures—						
	Value	£	*1,061,727*	*984,105*	*1,064,392*	*1,089,614*	*1,132,627*
	Total Re-exports ...	£	*1,117,976*	*1,041,529*	*1,122,815*	*1,152,347*	*1,183,844*
	TOTAL COTTON GOODS.—Net Imports ...	£	18,303,364	18,217,115	17,623,652	19,030,908	15,733,624
2	METALS	Value £	2,607,122	3,310,452	3,721,007	3,736,958	3,372,903
3	SILK, (Raw and Manufactured)	" "	1,583,405	1,404,235	1,037,957	1,485,550	1,496,487
4	RAILWAY PLANT AND ROLLING-STOCK	" "	780,867	1,079,105	1,194,145	1,727,560	1,491,831
5	SUGAR	" "	516,564	895,929	403,607	798,026	1,480,880
6	LIQUORS	" "	1,636,568	1,702,197	1,585,345	1,683,655	1,372,487
7	PROVISIONS	" "	363,727	717,234	664,938	861,116	990,530
8	WOOLLEN MANUFACTURES	" "	557,585	1,119,274	911,890	955,142	961,666
9	MACHINERY AND MILL-WORK	" "	1,185,943	1,439,921	963,504	873,960	893,875
10	COAL, (excluding coke and patent fuel)—						
	Quantity	Tons.	360,252	388,480	523,384	603,731	473,027
	Value	£	685,720	647,562	918,309	1,004,942	881,444
	Average declared value per ton— Rupees		19·03	16·67	17·54	16·64	18·63
	Average declared value per ton— Shillings, at average exchange ...		34·94	31 01	30·34	28·83	30·68
11	SALT—						
	Quantity	Tons.	277,085	365,254	298,776	254,231	274,182
	Value	£	755,771	601,146	430,895	401,366	593,621
	Average declared value per ton— Rupees		27 28	16·45	14·42	15·78	21·65
	Average declared value per ton— Shillings, at average exchange ...		50·51	29·66	24·62	27·35	35·65
12	APPAREL	Value £	620,456	634,256	542,860	579,106	546,089
13	SPICES	" "	179,126	395,988	432,991	488,884	509,042

TABLE III.—*Sea-borne Trade for the first ten months (Principal articles arranged in order of their declared value).*

	1875-76.	1876-77.	1877-78.	1878-79.	1879-80.
	£	£	£	£	£
Value of commodities exported, excluding gold and silver ...	46,309,370	48,265,519	52,210,342	47,821,206	51,522,819
Value of commodities imported, excluding gold and silver ...	30,830,219	30,408,746	34,457,474	32,426,305	33,557,095
Excess Exports ...	15,479,151	17,856,773	17,752,868	15,394,901	17,965,724
Net imports of silver	966,336	5,628,814	13,117,467	2,187,577	6,080,763
Net imports of gold	1,486,222	— 410,234	278,765	—482,078	1,388,535
TOTAL NET IMPORTS OF GOLD AND SILVER ...	2,452,558	5,218,580	13,396,232	1,705,499	8,069,298
GRAND TOTAL IMPORTS AND EXPORTS OF ALL KINDS ...	83,124,766	91,365,735	104,112,057	88,090,522	96,044,010

APPENDIX.

COMMERCIAL AND FINANCIAL STATISTICS.

TABLE III.—*Sea-borne Trade for the first Ten months, &c.*—continued.

No.	EXPORTS.			Ten Months, 1st April to 31st January.				
				1875-76.	1876-77.	1877-78.	1878-79.	1879-80.
1	OPIUM ...	Quantity	Chests	73,095	81,613	77,387	76,165	91,081
		Value	£	9,186,788	10,490,687	10,264,066	10,917,614	12,299,004
		Average value per chest ...	Rs.	1,256-13-3	1,285-6-8	1,326-5-3	1,433-6-8	1,350-5-5
2	COTTON, RAW	Quantity	Cwts.	4,295,871	3,561,477	2,585,377	2,281,507	2,895,909
		Value	£	11,476,987	8,968,014	6,949,554	6,149,132	7,992,393
		Average value per lb. ...	Rs.	0-3-9	0-3-7	0-3-10	0-3-10	0-3-11
	" MANUFACTURES—							
	Twist and Yarn	Quantity ...	lbs.	4,587,225	6,817,270	12,779,989	18,306,631	20,445,445
		Value	£	196,768	316,636	558,913	767,675	854,667
		Average value per lb. ...	Rs.	0-6-10	0-7-5	0-6-11	0-6-8	0-6-8
	Other manufactures—Value		£	326,201	375,860	392,895	431,844	420,624
	TOTAL COTTON (RAW AND MANUFACTURED)...		£	11,999,956	9,660,510	7,901,362	7,348,651	9,267,684
3	RICE AND PADDY.	Quantity	Cwts.	13,045,994	11,658,224	10,186,650	12,420,606	12,507,197
		Value	£	3,549,719	3,397,812	4,017,316	5,699,274	5,149,989
		Average value per cwt. ...	Rs.	2-11-6	2-14-8	3-15-1	4-9-5	4-1-11
4	JUTE (Raw and Manufactured)—Value ...		£	2,639,630	2,895,432	3,679,332	4,076,573	4,539,642
5	SEEDS ...	Quantity	Cwts.	8,514,379	8,559,142	11,239,493	6,357,845	5,767,116
		Value	£	4,414,548	4,688,529	6,758,930	4,089,485	3,764,594
		Average value per cwt. ...	Rs.	5-2-11	5-7-8	6-0-2	6-6-11	6-8-5
6	HIDES AND SKINS.	Quantity	Cwts.	534,504	495,367	709,852	630,278	709,755
		Value	£	2,378,801	2,309,783	2,990,696	2,455,043	2,786,059
		Average value per cwt. ...	Rs.	44-8-1	46-10-0	42-2-1	38-15-2	39-4-1
7	TEA ...	Quantity	lbs.	21,254,915	25,186,248	30,306,610	30,692,313	34,243,539
		Value	£	1,899,961	2,361,799	2,770,735	2,808,432	2,746,782
		Average value per lb. ...	Rs.	0-14-4	0-15-0	0-14-7	0-14-8	0-12-10
8	INDIGO ...	Quantity	Cwts.	78,004	83,443	90,577	64,514	78,538
		Value	£	2,037,990	2,450,385	2,632,728	1,767,026	2,256,421
		Average value per cwt. ...	Rs.	261-4-3	293-10-7	290-10-7	273-15-0	287-6-11
9	WOOL (Raw and Manufactured)—Value ...		£	1,061,452	1,079,667	939,198	1,049,930	1,007,621
10	WHEAT ...	Quantity	Cwts.	2,155,626	4,839,290	6,206,669	1,035,857	1,814,566
		Value	£	775,554	1,673,400	2,790,304	508,125	918,918
		Average value per cwt. ...	Rs.	3-9-6	3-7-4	4-7-11	4-14-6	5-1-0
11	COFFEE ...	Quantity	Cwts.	164,692	168,552	191,693	201,626	188,080
		Value	£	662,275	722,544	846,358	885,939	833,670
		Average value per cwt. ...	Rs.	40-3-5	42-13-11	44-2-5	43-15-0	44-5-2
12	SILK (Raw and Manufactured)—Value ...		£	531,870	801,388	766,098	607,139	584,575
13	SALTPETRE ...	Quantity	Cwts.	300,501	369,887	311,682	311,091	421,268
		Value	£	254,955	302,734	304,068	296,222	386,482
		Average value per cwt. ...	Rs.	8-7-9	8-2-11	9-12-1	9-8-4	9-2-9
14	TEAK ...	Quantity	C. tons	48,776	35,771	44,153	34,115	30,810
		Value	£	356,332	263,504	311,678	247,752	222,878
		Average value per ton ...	Rs.	73-0-11	73-10-8	70-2-9	72-9-11	72-5-5
15	LAC		£	593,588	426,327	299,599	234,712	220,105
16	SUGAR		£	94,465	425,940	447,616	184,724	156,533

APPENDIX.

COMMERCIAL AND FINANCIAL STATISTICS.

TABLE III.—*Sea-borne Trade for the first ten months*—concluded.

No.	IMPORTS.			Ten Months, 1st April to 31st January, 1875-76.	1876-77.	1877-78.	1878-79.	1879-80.
	COTTON—							
*1	Twist and yarn ...	Quantity ...	lbs.	25,923,585	26,724,669	30,872,371	29,736,857	27,309,866
		Value ..	£	2,286,139	2,230,376	2,425,336	2,480,030	2,248,998
		Average value per lb. ...	Rs	0-14-1	0-13-4	0-12-7	0-13-4	0-13-2
		Ditto in sterling average exchange	..	1s. 7d.	1s. 5d.	1s. 4½d.	1s. 4½d.	1s 4½d
	Other manufactures ..	Value	£	13,097,382	13,056,417	14,512,524	12 274 502	13,819,200
	TOTAL COTTON GOODS		£	15,383,521	15,286,793	16,937,860	14,754,532	16,067,608
	Re-exports							
	Twist and yarn ...	*Quantity* ..	*lbs*	*701,646*	*614,051*	*736,160*	*651,378*	*780,075*
		Value	£	*50,656*	*43,119*	*49,811*	*44,508*	*47,715*
		Average value per lb.	*Rs.*	*0-11-7*	*0-11-3*	*0-10-10*	*0-10-11*	*0-10 5*
	Other manufactures—Value		... £	*819,803*	*859,706*	*875,357*	*966,712*	*857,852*
	Total Re-exports		.. £	*870,459*	*902,827*	*925,168*	*1,011,220*	*905,567*
	TOTAL COTTON GOODS—Net Imports		.. £	14,513 062	14,383,966	16,012,692	13,743,312	15,162,041
2	METALS		Value £	2,533,767	2,893,993	3,008,118	2,919,762	2,849,539
3	SILK (Raw and Manufactured)		... „ „	1,126,453	831,428	1,271,782	1,313,747	1,263,602
4	LIQUORS		„ „	1,194,828	1,286,521	1,431,367	1,118,119	1,250,897
5	RAILWAY PLANT AND ROLLING-STOCK		. „ „	931,228	1,013,812	1,227,159	1,249,238	1,104,248
6	WOOLLEN MANUFACTURES ...		... „ „	856,225	823,119	849,529	846,254	901,642
7	PROVISIONS		... „ „	560,436	539,059	716,989	831,573	882,062
8	COAL (excluding Coke and Patent Fuel)—	Quantity .	... Tons	262,999	347,816	469,270	377,684	446,226
		Value ..	... £	428,858	643,794	764,610	708,820	860,491
		Average value per ton	Rs.	16-4-10	18-8-2	16-4-8	18-12-1	19 4-6
9	SUGAR		... Value £	618,833	348,806	657,043	1,137,030	853,951
10	SALT ...	Quantity ...	... Ton	302,897	255,504	217,202	223,565	277,279
		Value ...	.. £	505,288	363 684	324 628	477,384	611,322
		Average value per ton	Rs.	16-10-10	14-3-9	14-15-1	21-5-7	22 0-9
11	MACHINERY AND MILL-WORK		... Value £	1,243,685	803,705	724,078	781,963	549,049
12	APPAREL		... „ „	548,970	460,767	491,306	464 159	466,922
13	SPICES		... „ „	315,656	367,877	380,649	430,862	406,197

TABLE IV.—*Wholesale Prices of typical commodities in Gold and Silver in London and Calcutta in December of each year.*

(*Prices of March 1873=100.*)

IN LONDON—(*prices quoted from the* LONDON ECONOMIST)	Measured in Gold. 1873.	1874.	1875.	1876.	1877.	1878.	1879.	Measured in Silver * 1873.	1874.	1875.	1876	1877.	1878.	1879.
Scotch Pig Iron (Warrants) ...	91	68	54	49	43	36	55	95	71	58	51	48	44	63
Coals, Hetton, Wallsend (London)	94	90	75	57	55	60	50	97	94	79	59	61	72	57
Copper, Chili Bars	93	93	92	85	74	64	74	96	97	98	90	82	77	85
Straits Tin	79	65	56	52	45	42	62	82	67	60	54	50	50	71
Wheat	112	81	83	91	94	72	85	115	84	88	96	104	87	97
Flour, town-made	111	82	90	82	98	69	86	114	85	96	86	109	83	98
Beef, inferior	125	110	128	98	85	90	85	129	115	136	102	94	108	97
Cotton, No. 40, Mule Twist ...	95	83	86	80	71	61	77	97	88	91	84	78	73	87
Wool, Southdown Hogs ...	96	89	85	80	76	65	71	99	93	91	85	84	78	81
Sugar, Foreign Muscovado ...	92	87	77	113	74	80	95	95	91	82	119	82	96	108
Coffee	124	97	105	101	98	73	83	128	101	111	106	109	88	94
Pepper	126	95	78	69	63	N.	...	109	100	83	73	70	N.	..
Saltpetre	86	80	83	87	98	89	96	86	82	88	92	109	108	110
Gold	...	.	..	..	...	..		103	104	106	105	111	120	114
Silver	97	96	94	95	90	83	88	...	...	...	...	...	...	..
IN CALCUTTA (*prices quoted from the* CALCUTTA PRICE CURRENT)														
Grey Shirtings (8¼ lbs.) ...	...	...	...	...	...			93	84	84	78	73	71	81
Mule Twist, white, good, No. 40	...	...	...	...	..			96	91	87	87	75	75	88
„ „ Turkey red, No. 40 (12 lbs.)	...	...	...	...	...			115	104	94	85	85	78	77
„ „ * Orange, No. 40—60	...	...	...	...	...			107	93	87	90	83	73	87
Copper, Sheathing ...	...	...	...	...	..			102	100	102	93	83	80	87
Iron, flat, bolt, bar and square	...	...	...	...	..			115	89	78	68	60	56	76
Spelter, hard	.	...	...	...	...			114	118	148	143	130	107	121
Hides, buffalo, slaughtered ..	...	...	..	...	...			92	88	75	104	75	69	96
Indigo, good	...	...	...	...	..			110	*Nil.*	90	110	86	100	110
Jute, picked	...	...	.	...	...			144	137	125	150	147	153	169
Lacdye, fine	...	...	...	...	...			87	60	55	69	58	54	73
Shell Lac, fine orange ...	...	...	...	...	...			129	183	119	68	49	56	153
Linseed, fine bold clean ...	...	...	...	...	...			111	110	92	102	106	N.	120
Rice, Ballam ...	...	...	...	...	...			165	153	125	159	168	259	152
Silk, raw, Cossimbazar ...	...	...	...	...	..			80	58	40	98	80	69	87
Sugar, Benares ...	...	...	...	...	.			94	87	87	88	*Nil.*	..	...
Tea, good Souchong ..	...	...	...	...	...			114	123	104	123	100	77	82
Wheat, Doodiah ..	..	...	.	...	..			115	96	78	96	104	109	109
Gold	...	...	...	...	...			102	100	102	103	105	109	110

* The values measured in silver in London have been calculated from the values in gold on the basis of the price of standard silver in London.

APPENDIX.

COMMERCIAL AND FINANCIAL STATISTICS.

TABLE V.—*Actual CAPITAL EXPENDITURE on RAILWAYS in 1878-79, and estimated Expenditure on such works in 1879-80 and 1880-81, and to the end of 1880-81.*

	1878-79, Accounts.	1879-80, Regular Estimate.	1880-81, Budget-Estimate.	To end of 1880-81.	Sanctioned Estimate.	Balance remaining to be spent.
	£	£	£	£	£	£
East Indian	297,314	58,700	630,000	(a) 38,266,981	...	...
Rajputana	359,296	248,000	172,000	3,545,000	3,267,000	—278,000
Western Rajputana	344,633	681,000	385,000	1,649,000	1,604,000	—45,000
Sindia	241,264	130,000	100,000	893,000	904,000	11,000
Holkar	—73,865	36,000	19,000	1,260,000	1 246,000	—14,000
Neemuch	226,255	278,000	339,000	1,786,000	2,202,000	416,000
Wurdah Coal	11,027	15,000	...	501,000	541,000	40,000
Nagpur and Chattisgarh	106,300	250,000	217,000	593,000	837,000	244,000
Rangoon and Irrawaddy Valley	121,375	40,000	10,000	1,262,000	1,261,000	—1,000
Northern Bengal	386,180	129,000	60,000	2,139,000	1,945,000	—194,000
Tirhoot	20,850	27,000	15,000	565,000	600,000	35,000
Patna and Gya	250,105	73,000	25,000	350,000	404,000	54,000
Nalhati	6,968	—1,000	—1,000	32,000	36,000	4,000
Calcutta and South-Eastern	14,069	—1,000	—2,000	672,000	739,000	67,000
Cawnpore and Furruckabad...	59,715	154,000	68,000	282,000	322,000	40,000
Ghazipur and Dildarnaggar...	2,653	44,000	5,000	55,000	65,000	10,000
Muttra-Hathras...	3,740	1,000	...	110,000	125,000	15,000
Muttra-Achneyra	5,311	...	55,000	60,000	90,000	30,000
Dhond and Manmad	359,469	112,000	100,000	1,124,000	1,350,000	226,000
Indus Valley	816,105	304,000	200,000	6,295,000	7,180,000	885,000
Punjab Northern	369,905	663,000	303,000	4,053,000	3,808,000	—245,000
Fluctuations in Store Balances	—166,725	—243,000	—80,000	155,000	...	—155,000
Reserve	...	...	242,000	242,000	...	—242,000
	3,464,630	2,940,000	2,232,000	27,623,000	28,526,000	903,000
Deduct PRODUCTIVE PUBLIC WORKS OUTLAY included in the above	3,327,888	2,608,000	1,982,000	26,533,000	...	...
Balance ORDINARY OUTLAY ...	136,742	332,000	250,000	1,090,000	...	...
Railways constructed wholly from Ordinary Funds—						
Patri Salt Railway	...	...	...	81,000	90,000	9,000
Frontier Railways chargeable to Army ...	...	1,440,000	2,040,000	3,480,000	...	...
Total ORDINARY ...	136,742	1,772,000	2,290,000	4,651,000	...	...
GRAND TOTAL ...	3,464,630	4,380,000	4,272,000	31,184,000	...	...

(a).—£6,550,000 added on account of premium added to the Capital of the East Indian Railway on the purchase being effected.

APPENDIX.

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TABLE VI.—*Actual Capital Expenditure on works of Irrigation, &c., for which Capital and Revenue Accounts are kept, in 1878-79, and estimated expenditure on such works in 1879-80, 1880-81, and to the end of 1880-81, &c.*

	1878-79 Actuals.	1879-80 Regular Estimates.	1880-81 Budget-Estimates.	To end of 1880-81.			Estimated cost (current sanctions).	Balance of current sanctions remaining to be spent.
				Outlay against current sanctions.	Outlay against sanctions that have expired.	Total.		
IRRIGATION AND NAVIGATION PRODUCTIVE PUBLIC WORKS.	£	£	£	£	£	£	£	£
Orissa Canals	56,256	78,000	44,000	1,953,300	...	1,953,300	1,931,000	...
Midnapore Canal	27,817	7,300	15,500	755,800	...	755,800	768,000	12,200
Tidal Canal	...	...	...	177,300	...	177,300	177,000	...
Sone Canals	171,768	139,700	80,500	2,298,500	...	2,298,500	2,736,000	437,500
Ganges Canal	61,798	30,000	59,300	743,825	2,343,275	3,087,100	1,021,000	277,175
Agra "	6,597	5,000	7,500	786,800	...	786,800	801,000	14,200
Lower Ganges Canal	157,693	151,100	133,000	1,688,100	...	1,688,100	2,473,000	784,900
Western Jumna "	79,438	58,100	65,000	462,000	312,000	774,000	722,000	260,000
Bari Doab "	11,376	10,000	5,000	1,509,600	...	1,509,600	1,652,000	142,400
Other projects	233,945	318,200	220,000	...	...	4,955,600	...	...
TOTAL ...	806,638	797,400	630,000	...	...	17,986,100	...	...
Deduct Ordinary outlay on Productive Public Works included above.	11,984	...	...	...	...	5,306,300	...	...
NET TOTAL ...	794,654	797,400	630,000	...	...	12,679,800	...	...
IRRIGATION AND NAVIGATION WORKS. (*Not classed as Productive Public Works*).								
Eastern Jumna Canal	1,511	9,700	10,000	69,000	204,000	273,000	139,000	70,000
Other projects	105,653	134,600	95,800	...	...	2,294,900	...	...
Ordinary outlay on Productive Public Works ...	11,984	...	...	...	...	5,306,300	...	...
TOTAL ...	119,148	144,300	105,800	...	...	7,874,200	...	...
Deduct Outlay against the grant for Productive Public Works or works not admitted to the category of Productive Public Works	—3	...	...	...	...	255,200	...	...
NET TOTAL ...	119,151	144,300	105,800	...	...	7,619,000	...	...
GRAND TOTAL ...	913,805	941,700	735,800	...	...	20,298,800	...	...

APPENDIX.

COMMERCIAL AND FINANCIAL STATISTICS.

TABLE VII.—*Gross earnings, Working expenses and net traffic earnings of Guaranteed and State Railways to end of 1878-79, with Regular Estimates for 1879-80 and Budget-Estimates for 1880-81.*

	Actuals.					Regular Estimates. 1879-80.	Budget-Estimates. 1880-81.
	1874-75.	1875-76.	1876-77.	1877-78.	1878-79.		
GUARANTEED RAILWAYS.							
OPEN MILEAGE AT BEGINNING OF YEAR	4,057	4,093	4,308	4,495	4,532	4,541	4,562
Gross Earnings.	£	£	£	£	£	£	£
Eastern Bengal	365,956	323,889	376,650	507,641	439,942	460,000	470,000
Madras	591,955	644,852	806,164	930,759	643,613	675,000	675,000
South Indian	97,401	129,578	221,266	335,118	318,331	350,000	370,000
Bombay, Baroda and Central India	663,398	646,577	704,747	786,775	698,533	700,000	780,000
Great Indian Peninsula	2,052,012	2,103,264	2,679,511	3,270,167	2,719,749	2,450,000	2,750,000
Oudh and Rohilkhund	226,634	288,164	369,638	437,013	403,885	400,000	480,000
Sind, Punjab and Delhi	680,318	697,041	833,540	1,014,304	909,393	1,100,000	1,000,000
Total ...	4,617,734	4,833,545	5,991,516	7,281,777	6,223,337	6,135,000	6,525,000
Working Expenses.							
Eastern Bengal	205,462	206,842	172,357	200,690	198,347	220,000	215,000
Madras	397,268	454,362	475,576	600,831	484,080	450,000	450,000
South Indian	56,101	56,795	118,537	186,407	235,098	265,000	240,000
Bombay, Baroda and Central India	304,545	372,720	366,380	311,786	325,578	330,000	350,000
Great Indian Peninsula	1,143,102	1,001,679	1,235,797	1,567,671	1,447,744	1,480,000	1,500,000
Oudh and Rohilkhund	141,082	175,733	216,565	238,022	257,360	260,000	275,000
Sind, Punjab and Delhi	439,748	452,104	549,777	582,259	584,383	700,000	600,000
Total ...	2,687,308	2,720,235	3,134,989	3,687,666	3,532,590	3,705,000	3,630,000
Net Traffic Earnings.							
Eastern Bengal	160,494	117,047	204,293	306,951	241,595	240,000	255,000
Madras	194,687	190,470	330,588	329,928	159,533	225,000	225,000
South Indian	41,300	72,783	102,729	148,711	83,233	85,000	130,000
Bombay, Baroda and Central India	298,853	273,857	338,367	474,989	372,955	370,000	430,000
Great Indian Peninsula	908,910	1,101,585	1,443,714	1,702,496	1,271,995	970,000	1,250,000
Oudh and Rohilkhund	85,612	112,431	153,073	198,991	236,325	140,000	205,000
Sind, Punjab and Delhi	240,570	244,937	283,763	432,045	325,010	400,000	400,000
Total ...	1,930,426	2,113,110	2,856,527	3,594,111	2,690,747	2,430,000	2,895,000
STATE RAILWAYS. *East Indian.*							
OPEN MILEAGE AT BEGINNING OF YEAR	1,503	1,503	1,503	1,503	1,503	1,503	1,503
Gross Earnings	3,451,465	3,011,412	3,818,147	4,362,133	4,052,536	4,250,000	4,250,000
Working Expenses	1,317,081	1,140,861	1,313,676	1,395,692	1,465,990	1,500,000	1,500,000
Net Traffic Earnings	2,134,384	1,870,551	2,504,471	2,966,441	2,586,546	2,750,000	2,750,000
Other State Railways.							
OPEN MILEAGE AT BEGINNING OF YEAR	221	485	683	805	1,287	2,014	2,493
Gross Earnings.							
Rajputana and Western Rajputana (Northern Section) ...	93,819	203,102	239,349	261,434	330,077	382,500	450,000
Western Rajputana (Southern Section)	...	...	...	...		15,000	55,000
Holkar and Neemuch	16,702	38,349	39,272	62,666	93,511	122,500	152,500
Sindia	...	...	...	1,319	10,812	11,500	20,000
Wurdah Coal	2,112	2,936	3,685	10,639	11,373	32,000	55,000
Punjab Northern	...	23,657	50,154	76,412	108,400	195,000	240,000
Indus Valley	...	...	...	...	113,921	370,000	450,000
Dhond and Manmad	...	...	...	...	25,041	50,000	67,000
Nagpur and Chattisgarh	...	...	...	...	...	...	10,000
Rangoon and Irrawaddy Valley	...	...	...	62,876	97,561	100,000	120,000
Patna and Gya	...	...	...	...	...	33,000	40,000
Northern Bengal	...	...	...	17,111	109,289	140,000	160,000
Tirhoot	...	4,804	21,358	34,324	44,981	45,000	47,500
Calcutta and South-Eastern	9,861	10,486	9,775	12,616	12,509	13,000	13,500
Nalhati	8,492	7,178	8,098	9,130	8,531	9,000	9,000
Cawnpore and Furruckabad	...	...	...	...	...	...	11,000
Hattras-Muttra	...	...	8,977	9,363	10,822	12,500	12,500
Ghazipore and Dildarnagur	...	...	...	...	...	...	4,000
	130,986	289,512	380,668	557,890	976,828	1,531,000	1,917,000
Working Expenses.							
Rajputana and Western Rajputana (Northern Section) ...	57,836	119,638	159,082	184,831	203,816	230,000	275,000
Western Rajputana (Southern Section)	...	...	...	...		15,000	50,000
Holkar and Neemuch	11,078	35,715	39,047	39,319	67,903	92,500	102,500
Sindia	...	...	...	2,137	12,734	14,000	18,500
Wurdah Coal	2,403	3,150	3,638	7,043	11,104	29,500	27,500
Punjab Northern	...	15,737	45,958	70,499	86,506	160,000	160,000
Indus Valley	...	...	...	...	109,861	360,000	350,000
Dhond and Manmad	...	...	...	...	24,569	50,000	57,000
Nagpur and Chattisgarh	...	...	...	...	...	...	10,000
Rangoon and Irrawaddy Valley	...	...	...	59,994	92,561	80,000	80,000
Patna and Gya	...	...	...	...	...	19,000	20,000
Northern Bengal	...	...	...	16,462	89,573	120,000	110,000
Tirhoot	...	4,066	14,189	23,572	32,993	34,000	27,500
Calcutta and South-Eastern	7,320	9,303	12,820	8,226	−1,748	9,000	9,500
Nalhati	7,367	7,936	8,315	8,732	4,479	6,500	7,000
Cawnpore and Furruckabad	...	...	...	...	...	...	7,000
Hattras-Muttra	...	...	4,919	5,251	5,996	6,700	6,500
Ghazipore and Dildarnagur	...	...	...	...	...	...	3,000
	86,004	193,485	287,988	426,066	740,347	1,166,200	1,321,000
Net Traffic Earnings.							
Rajputana and Western Rajputana (Northern Section) ...	35,983	83,464	80,267	76,603	126,261	152,500	175,000
Western Rajputana (Southern Section)	...	...	...	...			5,000
Holkar and Neemuch	5,624	2,634	225	23,347	25,608	30,000	50,000
Sindia	...	...	...	−818	−1,922	−2,500	1,500
Wurdah Coal	−291	−214	27	3,596	269	2,500	27,500
Punjab Northern	...	8,920	4,196	5,913	21,894	35,000	80,000
Indus Valley	...	...	...	...	4,060	70,000	100,000
Dhond and Manmad	...	...	...	...	472	...	10,000
Nagpur and Chattisgarh	...	...	...	2,882	5,000	20,000	40,000
Rangoon and Irrawaddy Valley	...	...	...	...	...	14,000	20,000
Patna and Gya	...	...	...	709	19,716	20,000	50,000
Northern Bengal	...	798	7,169	16,752	11,958	14,000	50,000
Tirhoot	2,541	1,183	−3,045	4,390	14,237	4,500	4,000
Calcutta and South-Eastern	1,125	−758	−247	508	4,032	2,500	2,000
Nalhati	...	...	...	...	...	...	4,000
Cawnpore and Furruckabad	...	...	4,058	4,112	4,826	5,800	4,000
Hattras-Muttra	...	...	...	...	...	...	1,000
Ghazipore and Dildarnagur	...	...	...	...	...	...	...
	44,982	96,027	92,680	131,884	236,481	364,800	596,000

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TABLE VIII.—*Cross earnings, working expenses and net earnings of works of Irrigation, &c., for which Capital and Revenue Accounts are kept, to end of 1878-79, with Regular Estimates for 1879-80 and Budget-Estimates for 1880-81.*

	Actuals.						
	1874-75.	1875-76.	1876-77.	1877-78.	1878-79.	Regular Estimates, 1879-80.	Budget-Estimates, 1880-81.
	£	£	£	£	£	£	£
IRRIGATION AND NAVIGATION PRODUCTIVE PUBLIC WORKS.							
GROSS DIRECT REVENUE.							
Orissa Canals	4,848	4,549	7,456	16,110	18,200	27,000	28,500
Midnapore Canal	11,622	11,111	13,699	17,009	17,071	22,100	26,000
Tidal Canal	5,289	2,293	4,503	6,228	6,079	6,100	6,100
Sone Canals	...	5,090	7,318	10,130	43,763	51,500	56,000
Ganges Canal	261,988	212,882	220,154	250,453	261,114	271,500	245,000
Agra "	55	3,709	8,952	21,467	42,683	35,900	43,500
Lower Ganges Canal	...	...	...	...	...	9,100	18,000
Western Jumna "	91,299	100,872	87,813	99,210	118,056	117,400	114,000
Bari Doab "	64,668	77,189	59,270	56,903	80,606	98,400	108,400
Other projects	10,462	11,994	16,036	25,372	25,748	27,900	35,100
TOTAL	390,222	429,679	425,201	502,882	613,270	666,900	680,600
INDIRECT REVENUE.							
Ganges Canal	41,915	62,580	64,279	72,290	67,181	66,900	66,900
Agra "	...	...	...	4,509	...	...	...
Western Jumna Canal	37,256	40,128	38,593	37,376	10,937	21,700	11,700
Bari Doab "	14,625	16,653	4,679	11,963	17,788	14,700	10,000
Other projects	24,291	20,345	25,966	27,789	31,078	606,200	614,000
TOTAL	118,087	139,706	133,517	153,867	126,934	709,500	702,600
TOTAL DIRECT AND INDIRECT REVENUE.							
Orissa Canals	4,848	4,549	7,458	16,110	18,200	27,000	28,500
Midnapore Canal	11,622	11,111	13,699	17,009	17,071	22,100	26,000
Tidal Canal	5,289	2,293	4,503	6,228	6,079	6,100	6,100
Sone Canals	...	5,090	7,318	10,130	43,763	51,500	56,000
Ganges Canal	243,903	275,462	284,433	322,743	328,295	338,400	311,900
Agra "	55	3,709	8,952	25,976	42,683	35,900	43,500
Lower Ganges Canal	...	...	...	...	...	9,100	18,000
Western Jumna Canal	128,546	141,000	126,406	136,586	128,993	139,100	125,700
Bari Doab "	79,293	93,842	63,949	68,866	98,344	113,100	118,400
Other projects	34,753	32,329	42,002	53,161	56,826	634,100	643,100
TOTAL	508,309	569,385	558,718	656,749	740,204	1,376,400	1,383,200
WORKING EXPENSES.							
Orissa Canals	19,643	20,762	21,466	21,607	23,969	25,100	29,700
Midnapore Canal	13,943	16,740	17,128	20,382	17,283	12,900	12,900
Tidal Canal	3,453	3,904	1,243	3,056	2,318	2,700	2,400
Sone Canals	...	11,543	19,959	25,241	37,951	41,300	32,800
Ganges Canal	97,323	105,462	105,940	97,870	96,991	102,100	94,600
Agra "	4,576	8,319	11,613	15,792	18,859	19,700	20,100
Lower Ganges Canal	...	...	...	...	450	9,100	21,100
Western Jumna "	33,874	37,316	38,937	41,873	51,436	46,100	40,100
Bari Doab "	33,746	48,094	55,365	52,398	41,543	46,500	46,700
Other projects	41,837	98,418	92,605	86,239	91,710	106,300	92,600
TOTAL	247,495	350,758	363,356	364,458	381,550	411,800	393,000
NET REVENUE.							
Orissa Canals	—14,795	—16,213	—14,010	—5,497	—5,769	1,900	—1,200
Midnapore Canal	—1,421	—5,629	—3,429	—3,373	—212	9,200	13,100
Tidal Canal	1,836	—1,611	3,260	3,172	3,761	3,400	3,700
Sone Canals	...	—6,453	—12,641	—15,111	6,712	10,200	23,200
Ganges Canal	146,580	170,000	179,393	224,873	231,304	236,300	217,300
Agra "	—4,521	—4,610	—2,661	10,184	23,774	16,200	23,400
Lower Ganges Canal	...	...	...	...	—450	...	—3,100
Western Jumna Canal	94,672	103,484	87,469	94,713	77,557	93,000	85,600
Bari Doab Canal	45,547	45,748	8,584	16,468	56,801	66,600	71,700
Other projects	—7,084	—66,089	—50,603	—33,078	—34,884	527,800	556,500
TOTAL	260,814	218,627	195,362	292,291	358,654	964,600	990,200
IRRIGATION AND NAVIGATION WORKS. *(Not classed as Productive Public Works.)*							
GROSS DIRECT REVENUE.							
Eastern Jumna Canal	61,111	59,249	56,541	57,563	63,198	72,900	60,300
Other projects	22,471	20,053	29,596	19,353	23,908	29,300	30,200
TOTAL	83,582	79,302	86,137	76,916	87,106	102,200	90,500
INDIRECT REVENUE.							
Eastern Jumna Canal	16,989	22,152	22,153	22,680	22,153	22,200	22,200
Other projects	95,825	131,608	123,480	125,987	134,131	187,000	222,900
TOTAL	112,814	153,760	145,633	148,667	156,284	209,200	245,100
TOTAL DIRECT AND INDIRECT REVENUE.							
Eastern Jumna Canal	78,100	81,401	78,694	80,243	85,351	95,100	82,500
Other projects	118,296	151,661	155,076	145,340	158,039	216,300	253,100
TOTAL	196,396	233,062	231,770	225,583	243,390	311,400	335,600
WORKING EXPENSES.							
Eastern Jumna Canal	20,171	23,027	21,474	20,357	20,415	18,700	19,600
Other projects	95,933	108,947	108,489	109,822	95,925	91,500	94,300
TOTAL	116,104	131,974	129,963	130,179	116,340	110,200	113,900
NET REVENUE.							
Eastern Jumna Canal	57,929	58,374	57,220	59,886	64,956	76,400	62,900
Other projects	22,363	42,714	44,587	35,518	62,114	124,800	158,800
TOTAL	80,292	101,088	101,807	95,404	127,050	201,200	221,700

Abstract of the Proceedings of the Council of the Governor General of India, assembled for the purpose of making Laws and Regulations under the provisions of the Act of Parliament 24 & 25 Vic., cap. 67.

The Council met at Government House on Tuesday, the 2nd March, 1880.

PRESENT:

His Excellency the Viceroy and Governor General of India, G.M.S.I., *presiding.*

His Honour the Lieutenant-Governor of Bengal, K.C.S.I.

His Excellency the Commander-in-Chief, G.C.B., G.C.S.I., C.I.E.

The Hon'ble Sir A. J. Arbuthnot, K.C.S.I., C.I.E.

The Hon'ble Sir J. Strachey, G.C.S.I., C.I.E.

General the Hon'ble Sir E. B. Johnson, R.A., K.C.B., C.I.E.

The Hon'ble Whitley Stokes, C.S.I., C.I.E.

The Hon'ble Rivers Thompson, C.S.I.

Major-General the Hon'ble A. Fraser, C.B., R.E.

The Hon'ble Sayyad Ahmad Khán Bahádur, C.S.I.

The Hon'ble T. C. Hope, C.S.I.

The Hon'ble B. W. Colvin.

The Hon'ble Mahárájá Jotíndra Mohan Tagore, C.S.I.

The Hon'ble E. C. Morgan.

The Hon'ble J. Pitt-Kennedy.

The Hon'ble G. C. Paul, C.I.E.

The Hon'ble H. J. Reynolds.

LICENSE ACTS AMENDMENT BILL.

The Hon'ble SIR JOHN STRACHEY presented the Report of the Select Committee on the Bill to amend the law relating to the licensing of trades and

The Hon'ble SIR JOHN STRACHEY also moved that the Report be taken into consideration. He had so fully explained on a former occasion every thing that he had to say on this subject, that he thought it unnecessary to take up the time of the Council with any further remarks. The Select Committee had made no alteration in the Bill referred to it, and the Committee had recommended that the Bill be passed.

The Hon'ble MR. PITT KENNEDY said that he was slightly astonished to find, when he read the report of the Select Committee on the Bill to amend the law relating to trades and dealings, that they had made no alteration in it, except one trifling verbal amendment in section 13. He was still more astonished when he heard the Financial Minister repeat the same statement. So far as he was acquainted with the proceedings of the Council, no such Bill had ever been referred to the Select Committee. He held in his hand a Bill which bore the title of a Bill to impose a tax upon trades and professions. That Bill was referred to a Select Committee, and it was referred under circumstances against which he then felt himself bound to protest, and which now formed the subject of the report which they had laid before them, and he and those who protested thought they were fully justified in the protest which they then made. He did not say that the Select Committee had not power to change the title of the Bill—of course they had; he did not say that they had not power to make any alterations in the provision of that Bill; but the Bill which was laid before them was a Bill which, so far as he could see, was not in any one single passage the identical Bill which was referred to the Committee. The amended Bill which was placed in his hands late last night was a Bill which contained references to a multitude of sections in different Acts of the local legislatures which he had not had an opportunity of referring to, and whether substantially the provisions remained the same as those in the Bill originally drafted—

His Excellency THE PRESIDENT was sorry to interrupt the Hon'ble Member, but it was his duty to point out that the original Bill—the Bill to which the Hon'ble Member was referring—had been withdrawn. The Bill now before the Council was the Bill which was referred to the Select Committee, and it was a totally different Bill from the Bill which was originally introduced.

The Hon'ble MR. PITT KENNEDY continued—With great respect to His Excellency the President he might, perhaps, be permitted to explain what his position actually was. As he understood, no Bill was withdrawn. The precise objection which was raised by himself and other Hon'ble Members was that the Bill which had been pending before the Council had not been withdrawn, and a new Bill was not introduced.

His Excellency THE PRESIDENT again explained that, at the close of the Financial Statement made by his Hon'ble colleague at the last meeting of the Council, a motion was carried to cancel the reference of the former Bill to a Select Committee, and the Bill, the Committee's report upon which the Council was now considering, was at the same time introduced.

The Hon'ble MR. PITT KENNEDY continued—He was not aware that the Bill which had been originally referred to the Committee had been withdrawn. He was present certainly when much discussion took place, when the intention was stated of retaining the Bill, originally introduced, with a large number of changes. But a different course was adopted, and under the circumstances, certainly all the Members had not had an opportunity of consideration and discussion of the Bill in that Council. The reason why it seemed to him important to call attention to that was that matters of this kind, matters affecting the financial arrangements of the country, did seem to him to deserve more serious consideration and a larger publicity before they were finally adopted; that if the Bill, which was practically to impose for an indefinite period a system of taxation on the country, was to be considered, and the whole arrangements made for its being passed into law, at one sitting of the Council, surely the attendance of Members who wished, so far as they could, to put before the Council and the public views which they might entertain, was embarrassed by very considerable difficulty. It was difficult, without some opportunity of previous consideration, to know what the nature of the measure was to be with which one had to deal. In this instance, no further publication was considered necessary. Under the usual practice of obtaining leave at one meeting and introducing it another week, the Council was at liberty—

His Excellency THE PRESIDENT was sorry again to interrupt the Hon'ble Member. The Bill before the Council was no new measure; it introduced no new taxation; it simply revised a system of taxation which had already been introduced, and had long been existing, chiefly with the object of relieving a very large number of the poorer classes.

The Hon'ble MR. PITT KENNEDY continued—This was a Bill by which it was intended to fix on the country or portions of the country, for an indefinite period, a system of taxation which he submitted was not necessary. He would submit to the Council that it did a little more; it altered the incidence of taxation, and, further, they had in the Bill now before them a series of references to various Acts passed by local legislatures, making alterations and amendments upon them. That seemed to him at least an extremely difficult question, which might afterwards require to be discussed, namely, whether those legislatures could examine and deal with their own measures after they had been incorporated into an imperial measure. Therefore, to pass such an Act as this, was a very very serious thing. If this were a Bill for a limited period, to terminate in its own course in a limited time, one might see some prospect of relief, or perhaps the introduction at a future

that time the position of the finances was shown by the Hon'ble Member in charge to be such that, in order to establish an equilibrium between revenue and expenditure, and to provide a sum of £1,500,000, which was then considered to be necessary as a provision against extraordinary charges on account of famine, as well as £500,000 for a working surplus, fresh taxation was necessary. Had the position of the finances been such as to yield this surplus of two millions of revenue over ordinary expenditure, no taxation would have been necessary, and the natural deduction from these premises was that, as soon as the financial position of the country should have improved so as to yield the amount needed to provide for famine-relief, which was thenceforward to be considered as a regular charge on the country, to the extent of £1,500,000 per annum, and the working surplus of £500,000, the taxes then imposed would be repealed.

"The principle of the new taxes, very briefly stated, was this—that, whereas the agricultural and trading classes were those not only who suffered most by famine in those districts where famine was rife, but who also were gainers by the misfortunes of their neighbours, when it happened that they themselves were in the midst of plenty, these classes should be called upon to contribute towards the mutual insurance of each other. This principle was very open to question, and it was the subject of considerable criticism; moreover, the incidence of the tax was very unequal, not only as regards the classes to be taxed, but also as regards the individuals in those classes, for, in the Bill, as it first came before the Council, it was not proposed that any individual or firm, however wealthy, should contribute more than Rs. 200 per annum, whilst, upon small incomes, the contribution amounted to a sum not exceeding two per cent. The Mover of the Bill was at some trouble to explain that this was a deliberate intention, not only because small traders contributed next to nothing towards the support of the State, but also because those who contributed proportionately most would be the ones who would derive most benefit from the fund in the shape of pecuniary relief in times of distress. In consequence of hostile criticism on the publication of the Bill, the maximum contribution was increased, but that from the smaller incomes remained untouched.

"It is now proposed in the Bill before the Council to relieve traders whose incomes amount to less than Rs. 500 per annum, and I cannot better illustrate the importance of this measure than by a reference to a speech made by the Hon'ble Mr. Mackenzie in the Bengal Council, in which he stated that the numbers, in Bengal alone, liable to the amended Act, would stand at 66,668 as against 715,887. To relieve so large a number of persons from direct taxa-

tion is no doubt very desirable, but it is difficult to understand why traders alone should be selected, and agriculturalists whose income is less than Rs. 500 per annum should still be held liable to contribute. However, I shall not dwell upon this point, but, my Lord, I must say that, to my mind, the proposed change has destroyed whatever symmetry the original measure may have been thought to possess. There is now no mutual insurance, but one class, the agriculturalists, and a few of the wealthier people in another class, the traders, are selected, in a purely arbitrary manner, to pay a contribution towards the general needs of the State, to the exclusion of the rest of the community.

"This can hardly, I think, be considered satisfactory; but I have now to point out that the necessity for these taxes does not really appear to have existed subsequently to 1877-78. From Sir John Strachey's Statement, it appears that, in 1878-79, the amount collected from assessed taxes was £1,227,891, and he proceeds to add—

"'The standard at which, for ordinary times, the Government aims, namely, a surplus of £2,000,000, less any expenditure on famine relief and exclusive of extraordinary charges, such as those for great military operations, would have been attained if the accounts had shewn a surplus of only £1,010,199, or £1,034,192 less than the actual surplus.'

"It would, therefore, appear that the collections from the famine-taxes, save about £200,000, were not required to make up the surplus of £2,000,000, but constituted a separate and independent surplus over and above that figure.

"The figures of 1879-80 are even more remarkable. In that year, Sir John Strachey says—

"'The true surplus of the year for comparison with the standard surplus of £2,000,000, at which we aim, will be about £4,160,000, towards which the famine-taxes have contributed £1,184,000.'

"Exclusive of the famine taxes, there was, therefore, an additional surplus of one million over what Sir John Strachey has called the true surplus.

"From these figures, it is abundantly evident that neither in the year 1878-79 nor in the year 1879-80, were the so-called famine taxes needed to make up the surplus of £2,000,000, and in point of fact the money collected from these sources would certainly not have been required for the ordinary fiscal operations of the country. It is not, however, my object to do more than point

out the actual state of affairs as regards the past, but I find the same thing as regards the future. Sir John Strachey states—

"'But for the war-expenditure, the true surplus of the year to compare as before with the standard surplus of £2,000,000, would not have been less than four millions.'

"He adds—

"'The estimated revenue includes £982,000, obtained from taxes imposed in 1877 and 1878, to enable the Government to meet its famine obligations.'

"To my mind, the foregoing statement conveys the impression that, but for war expenditure, the Government would have had enough to meet their famine obligations and two millions to spare, or, exclusive of the famine taxation, upwards of a million to spare, and I cannot therefore avoid the conclusion that the maintenance of the assessed taxes is not to meet the charges of famine, but to defray the cost of war. This I must consider altogether erroneous and unjust, for, whatever arguments may be brought forward to prove that the particular classes who are taxed are specially liable to contribute towards expenditure on famines, certainly no reasons can be adduced to prove that they of all others, derive any special benefit from the war now being carried on upon the frontier.

"Sir John Strachey has in his speech alluded to the question as to whether the cost of the war should fall upon England or India, and upon this point I do not desire to express any opinion, but it is quite clear that if, as Sir John Strachey has urged, India should properly pay the cost, it is rather for prospective than for actual benefits, and consequently the entire burden should not fall upon the existing tax-payers. It appears that, up to the present time, about 5½ millions have actually been paid from funds in the hands of Government, and there would appear to be nothing either convenient, save in the sense of fitting, and certainly nothing cowardly, in spreading the balance of the expenditure over a term of years, especially when it is considered that the war expenditure includes a sum of upwards of 3½ millions for the construction of Railways which, though at present constructed for strategical purposes, will, as Sir John Strachey has pointed out, permanently benefit the country.

"It would doubtless be inconvenient, if not impossible, for the Government to make any alteration in the financial programme for the coming year, but I urged when sitting in Committee upon the Bill now before the Council, that its operation should be limited to one year. My object in proposing this amendment was to insure the fullest reconsideration of the entire subject of the

assessed taxes as soon as the actual result of the coming year was known. I do not desire now to press the amendment, but I trust the public may receive Your Lordship's assurance that the views I have put forward, which coincide with those already expressed by the Hon'ble Mr. Inglis in the Bengal Council, and which I believe to be very generally entertained, will be duly considered by the Government when the finances shall again become the subject of discussion.

"One other point I wish to mention with reference to the Financial Statement. Sir John Strachey stated in his speech, that he did not see how the Government were to know there would be a great improvement in the exchange, and it is no doubt a fact that, as long as the present system prevails, it must of necessity remain a matter of the greatest difficulty, if not of impossibility, to make an accurate forecast. But it is a proof of the viciousness of the present system, as regards the maintenance of any accuracy in the Government accounts, that so enormous a variation as one million can take place during a single year. The manner in which this subject should be dealt with, in order to obtain a more secure basis for the preparation of estimates, must of course rest with the Executive, but I trust Your Lordship will not consider that I am out of order in drawing the attention of Government to this subject. I have no hesitation in saying, that I consider the present system entirely faulty, not only because it imports an element of absolute uncertainty into the accounts of Government throughout the year, but because it is also calculated to entail upon the Government the maximum loss of revenue. There is no assimilation in the system now adopted to the natural expansion and contraction of trade which takes place at various periods of the year, so that, on the one hand, the Government is unable to take advantage of high rates when they exist, save to a very limited extent, and when there is little demand it is compelled to force-off bills much in excess of trade requirements, to the manifest detriment of the treasury.

"Since the time when it was determined to adopt the plan now in vogue, great changes have taken place, the most important being the large increase which has occurred in the annual amount of the drawings, and I would urge that, as the figures now involved are so very large, the attention of the Government should at once be turned towards devising a change which would ensure greater stability, and be more suited to the existing state of affairs."

The Hon'ble MAHÁRÁJÁ JOTÍNDRA MOHAN TAGORE said:—"My Lord, the country and the Government are no doubt to be congratulated on the prosperous state of the finances as shown in the Statement submitted to this Council last

week. But there are one or two points in it on which I beg to offer a few remarks with your Lordship's permission. In the first place, I would refer to the cost of the Afghan war. I do not mean to discuss the question as to whether India or England ought in equity to bear the whole or any portion of the cost; that, my Lord, is too large a question, and involves principles which I apprehend cannot authoritatively be decided here. What I would submit for consideration is, that since India has been made to bear the cost, whether the whole burden ought to be thrown upon the present generation, especially as the cost of the war includes charges for the construction of frontier-railways. If the war has been undertaken for the protection of India, the future generation is as much interested in its issue as the present; again, railways benefit posterity no less than ourselves, and it is on this principle that State-railways have hitherto been constructed out of loans. The Hon'ble Member in charge of the Finances has dismissed the question by saying 'Posterity will have quite enough to do in bearing its own burden'; on that ground, I submit, no present burden could possibly be thrown upon future generations.

"The next point, my Lord, is this, when the License-tax was first introduced, Sir John Strachey, in a speech which he delivered in this Council on the 27th December, 1877, said—

"'So far, however, as we can now speak for the future, the Government of India intends to keep this million and a half as an insurance against famine alone. In saying this, I should explain that we do not contemplate the constitution of any separate statutory fund, as such a course would be attended with many useless and inconvenient complications, without giving any real security. Unless, then, it should be proved hereafter by experience that the annual appropriation of a smaller sum from our revenues *will give to the country the protection which it requires*, we consider that the estimates of every year ought to make provision *for religiously* applying the sum I have mentioned to this sole purpose, and I hope that no desire to carry out any administrative improvement, however urgent, or any fiscal reform, however wise, *will tempt the Government to neglect this sacred trust.*'

"In fact, it was very generally understood at the time that the policy of the Government was to apply the proceeds of the tax to the construction of works which would give to the country protection from famines. Considering the humane purpose to which the money was intended to be applied, my countrymen did not complain of the tax; since then, however, instructions have come from the Home Government stopping all public works beyond a certain limit, and consequently these works for the prevention of famines could not have been proceeded with. Notwithstanding this, the tax has been collected all the same, and has been otherwise spent; and it is now proposed to continue it to add to the general revenues of the Empire, which, notwithstand-

ing the under-estimates made, seem at present to be in a prosperous condition, and do not stand in need of the continuance of the tax. Of this, my Lord, my countrymen do complain, and I think with good reason

"Then, again, if the License-tax is to form a permanent part of the fiscal system of the country, I cannot understand why the burden should not be distributed over all sections of the community, and 'an equitable adjustment of taxation,' as had been originally proposed, should not be carried out. While the trader, earning a little over forty rupees a month, will have to bear his share of the tax, nay, while the poorest cultivator will have to pay his one pice in the rupee in the shape of the Public Works Cess, the professional and salaried classes, earning perhaps hundreds and thousands by the month, are not required to pay anything. This, my Lord, I submit, seems to me to be very anomalous. It has been said that this scheme has been abandoned because no more money is absolutely required; but at least relief could have been given to the other classes to the extent that the taxation of these two classes would have yielded, or perhaps the minimum of the five hundred rupees could have been raised to a higher figure, or, better still, a fair minimum limit for the assessment of the Public Works Cess, which is but a counterpart of the License-tax for the agricultural classes, might have been fixed. Such an equitable adjustment of taxation would have thrown the burden upon those who could well bear it, and would have afforded relief to those who most needed it."

The Hon'ble Mr. Colvin said that he wished to make a few remarks on the objections which had been taken to the measure by his Hon'ble friends who had previously spoken. In the first place, he would notice the criticisms made by his Hon'ble friend Mr. Kennedy. Of these, the first to which he would advert was the allegation that sufficient opportunity had not been afforded, either to the Members of Council or to the public, for discussing the present measure. It seemed to him a sufficient answer to this criticism to say that the Bill now before the Council made no change whatever in the existing law, and, except that the fees on annual incomes below Rs. 500 would be remitted, that it left existing taxation exactly as it was. Moreover, the previous measure which had been introduced, and subsequently withdrawn, had, as it happened, given the fullest opportunity for discussion both of the principles and details of the present license-tax. Since there had been this opportunity, and since the law which it was proposed to continue had actually been in force for two years, he thought that no criticism could be more beside the mark than to say that there had been no opportunity of discussing the present Bill.

In the next place, it had been said by the Hon'ble Member that the Bill might possibly limit the powers of the Local Governments in a way that this Council never intended. He did not think that this would be the case; but if it were, the remedy would be very simple, namely, to convert the license-tax into an imperial measure, instead of leaving it, as now, to be dealt with by local Acts

Then, again, the Hon'ble Member (Mr. Kennedy) had said that he accepted the necessity which the Hon'ble Member in charge of the Financial Department had asserted to exist for continuing further taxation, but he had gone on to say that this necessity would never have been felt if it had not been for the late repeal of the duties on cotton. Now, he would remind the Council that the total amount of money lost by the repeal of this duty in this year was less than ¼ million, and that the amount during next year would not exceed ¼ million. But ½ million out of the surplus of 2 millions for which additional taxation had been imposed two years ago had been provided for administrative improvements and financial reforms, and the excess of revenue over expenditure on the ordinary account during the approaching year would probably be much over 2 millions. Provision enough, therefore, had been made to meet this charge out of the anticipated income of that year. Even if there had been no such additional charge of ¼ million to be met, it could hardly be said that the state of the finances would have been such as to justify the permanent remission of 1 million sterling of taxation. To repeal the license-tax would cost the Treasury not less than this sum; for it must be remembered that, if the license-tax were repealed, the famine-cess on the land must also be given up. The two taxes stood or fell together, and could not, with fairness, be treated differently. He would not follow the Hon'ble Member in his further remarks and suggestions for changes in those duties, as these were matters which were not before the Council. Whether such changes might be necessary hereafter, and whether future taxation should then be increased or diminished, were questions which had better be left to the future.

Turning now to the remarks made by his Hon'ble friend to the right (Mr. Morgan), his first charge was that the taxation of the commercial and trading classes was originally not very equitable, and, since it was now proposed to limit taxation to incomes exceeding Rs. 500, that not only had the symmetry of the edifice been destroyed, but its foundation, so to speak, had been taken from beneath it. Now, he could not at all understand this argument. He would admit that the commercial and trading classes had been selected as the classes upon whom this taxation should peculiarly fall, not because it had been considered an absolutely just or perfect measure to lay the whole

burden of the tax upon them, but because it had been necessary, either to draw the line more or less arbitrarily somewhere, or else to extend the tax to the whole community and make it an income-tax. The latter course had not been thought a proper one to adopt when the new taxes were introduced; and, that being so, he thought that the selection of the agricultural and commercial classes, as being the portion of the community to whom it might, with least injustice, be confined, could easily be justified; but he understood the Hon'ble Mr. Morgan rather to impugn the justice of the proportion in which the tax would now be divided between these two classes, than the propriety of their selection in the first instance. In reply to that criticism, he would point out that, according to the estimate, the agricultural class would pay £525,000 and the traders £535,000 during next year. He thought that these figures were sufficient to show that the balance did not incline unduly against either class, and that the burden was pretty equally distributed between them. Then, as to the argument that the foundation of the tax on the commercial class was destroyed when all incomes below Rs. 500 were exempted, it must be borne in mind that in taxing the commercial classes, a certain number of incomes under all circumstances must necessarily be exempted. The tax could not be paid by every trader, however small; it could not be argued that it was necessary to tax paupers in order to relieve paupers; a line must, in practice, be drawn somewhere in order to exclude the poorest traders. Whether that line was rightly drawn above incomes of Rs. 500 was a matter to be determined by expediency, and there might be much difference of opinion about it, but the exemption of a large number of petty incomes was an indispensable accompaniment of a tax of this nature, and did not destroy its foundation. He would not now notice the remarks of his friend about the application of the surplus created by the famine-taxes, because he (MR. COLVIN) thought it would be more convenient to deal with them in connection with the arguments which had been adduced on the same subject by the Hon'ble Mahárájá Jotíndra Mohan Tagore. He would, therefore, revert to that subject hereafter. Mr. Morgan had gone on to argue that, granting for the sake of argument that it was right that India should pay for the entire cost of the Afghán war, still it was not fair that the existing tax-payers should pay the whole of the cost, but that some portion might, with justice and propriety, be shifted on to the shoulders of posterity. There must always be room for a good deal of argument about the extent to which war-charges should be debited to the people in whose time a war was carried on. He would leave that argument to be more fully dealt with by others, but he must say that he was not one of those who thought that the charges on account of war could fairly be transferred to posterity, unless they were clearly beyond our own means to pay. If, indeed, the question at issue had been that of impos-

ing heavy additional taxation to meet the present war-expenditure, a good deal might be said in favour of hesitating and looking further, before we undertook to pay the whole cost of it; but, seeing that no additional taxation was proposed, and that our present taxation, whatever objection might be urged against it, could not by any means be called excessive and beyond the power of the country to bear, it did seem to him that we ought to bear our own burdens, and not remit a million sterling of taxation, for our own benefit, in the vague hope that posterity might find it much easier to pay than we do.

He would proceed now to the remarks made by his Hon'ble friend the Hon'ble Mahárájá Jotíndra Mohan Tagore. He would not repeat what he had said on the cost of the war, but he would turn to the argument used by the Mahárájá in regard to the application of the proceeds of the famine insurance taxation. He thought a few words of explanation on that subject might be of some use, because there was still a great deal of misapprehension in regard to it. The arrangement made two years ago, when additional taxation for famine purposes had been imposed, was that there should be a permanent surplus of 1½ millions of ordinary income over ordinary expenditure, and that this surplus should meet the charge for famines. It was obvious that in arranging for this surplus, ordinary receipts and expenditure only had been taken into calculation, because no financier could promise that he would have a surplus in every year under all possible circumstances. He could not guarantee a yearly surplus when he had to meet extraordinary and unforeseen heads of expenditure of indefinite amount, unless he had Fortunatus' cap in his possession. All that he could do was to provide a surplus in excess of the ordinary annual charges, and to take care that those ordinary charges did not increase so as to absorb his surplus. Any such increase, made without due cause, would have given very just grounds for saying that the proceeds of this taxation had been misapplied. It was quite clear, however, from the figures which had been laid before the Council, that there had been no such increase, and that a permanent addition to the annual ordinary revenue of the country had actually been made to the extent of one and half millions. Now it had been fully explained at the time when this tax had been imposed, that this 1½ millions were to be used in extinguishing or preventing debt. To quote the words of the Hon'ble Member in the Finance Department: "I think, my Lord, I have now made clear how we propose to apply this 1½ millions, which we hope to provide as an insurance against famine. We shall apply it virtually to the reduction of debt." It was then explained that this 1½ millions of surplus would enable Government to borrow 1½ millions less in each year hereafter, so that, at the end of ten years, it might, if necessary, borrow as much as fifteen millions, without putting itself in a worse

position than it occupied at the commencement of that period. It had been shewn beyond dispute in the Financial Statement made the other day, that a surplus exceeding six millions will have been applied during the three years under review to the object contemplated. Financially, therefore, the engagements which were made in 1878 had been fulfilled. It had been said, however, by his friend to the right that the money which had been so added to the income of Government should have been applied, as was then promised, to productive public works. He (MR. COLVIN) would say, before going further, that this did not appear to him to have been an essential part of any obligation which the Government then undertook. So long as it diminished debt, it did all, in a money point of view, that it undertook to do. But it was true that, at that time, it was fully intended to apply this surplus of 1½ millions to the construction of public works of a productive character, and that this intention had been strongly expressed. As he understood the matter, there were two reasons for so applying it. In the first place, in a year when the ordinary income exceeded the ordinary expenditure, no debt was usually contracted by the Government, except for one purpose, and that purpose was the prosecution of productive public works; secondly, because, by pushing on and completing works of this kind, the best possible precautions were taken against the disastrous effects of future famines, and against the recurrence of heavy charges upon this account hereafter. Now, we had seen in the Financial Statement that the debt will have been kept down during 1878-79-80, by a sum fully equal to the proceeds during those three years of the taxation for famine purposes. It could not be maintained, therefore, that those proceeds had been misapplied, even if productive public works had been neglected. There had, however, been no such neglect of them. Something like eight millions, if he remembered right, had been spent upon them during the last two years. In the approaching year, no doubt this sum would be considerably diminished, under orders which the Government of India could only obey, and no more than 2½ millions would be expended on that account. He did not see, even if 2½ millions only were expended upon productive public works, how it could be said that the famine-insurance-money had not been properly applied. As long as a sum equal to the proceeds of famine-taxation was applied to the reduction or prevention of debt, there was no such misapplication. Now, the annual proceeds of those taxes, as every body knew, were much less than 2½ millions. They had never exceeded £1,350,000, and were now, in round figures, only about £1,000,000 per annum. Financially, therefore, the enforced reduction of expenditure during next year upon productive public works did not affect the question of famine-insurance at all. On other grounds, however, this reduction was very greatly to be deplored. It was impossible to deny that, after what had been said in the budget of 1878, the public

had good reason to expect that productive public works should be actively pushed on. Their vigorous prosecution was in itself a most desirable thing, because they afforded the best means of mitigating or averting the disastrous effects of future famines in India. Besides this, there was no mode in which capital could be more profitably invested. It had been shewn in the Financial Statement of last week that over 65 millions had been so expended during the last twelve years to the incalculable benefit of the public, and without costing them a penny of interest. He thought that every body might well join in the hope that the limit of 2½ millions during the present year would soon be increased.

In the last place, his Hon'ble friend had remarked on the exemption from taxation of the official and professional classes. He had understood him to say that, if taxation was to be equitable, it ought to be extended to these classes also. MR. COLVIN quite agreed with him that, if taxation for famine purposes was to be perfectly equitable, it should be extended a good deal further than it went now; but, in that case, he did not see, as he had already said, how any line was to be drawn which would not be open to criticism, unless it embraced the whole community. That was the only equitable way of extending the tax. No doubt, if more money were needed, the tax might, on grounds of necessity rather than of equity, be made to include some classes who were now exempt. It had, indeed, been proposed a short time back to include the professional classes; but that proposal was avowedly made because more money was believed to be necessary, not because there was any special propriety in taxing the professional classes, who neither received relief in times of famine, nor derived profit under any circumstances from it. He thought it would be difficult to give any equitable reason for taxing professional persons and exempting fund-holders. Nevertheless, if a further contribution to the treasury had been needed, he thought that there were grounds other than those of strict equity on which it would have been justifiable to take that contribution from the official and professional classes. But when there was no need of further taxation, he could not see that there was any greater fairness in extending the incidence of the tax to the professional classes than in leaving it as it was. He believed that the feeling which lay at the bottom of much of the desire to extend this taxation to the official and professional classes had found expression in a memorial which had been circulated that morning to Members of Council. That memorial said—

"Rightly or wrongly, men are apt to endure, with a comparatively light heart, burdens common to all. * * * * For the general run of tax-paying humanity, the question is no doubt, as has been confessed, one of feeling, and a far from generous feeling. For them misery loses half its sting when it is universal. They are apt to regard it as among the ills

that flesh is heir to. A general calamity, like the well-known 'one touch of nature,' makes the whole world kin."

He supposed that the writers meant that general suffering from an income-tax was better than partial suffering from a license-tax, and if they meant that, he was not at all inclined to disagree with them; but he did not think the feeling there expressed should be gratified by extending taxation to any one particular class, when no extension of taxation was otherwise called for.

The Hon'ble MR. HOPE said:—"My Lord, the Hon'ble Sir John Strachey, in his recent Financial Statement, alluded to the scheme for saving a considerable portion of our customs-revenue by substitution of registration-fees for customs-duties. He gave no opinion of his own, or on behalf of the Government, but he said that the scheme deserved to be considered, and he made allusion to myself, as having lately given it my attention. It will probably be expected that in response to this invitation, I should over to the Council and the public some explanation on the subject.

"This explanation I must preface by two very distinct provisoes. I have no intention of discussing the propriety of the policy which the present Government has followed regarding the cotton-duties and other items of the Tariff, and I beg that nothing which I may have to say in elucidation of my subject may be taken as even indirectly raising such an issue. Moreover, I do not to-day come forward as the proposer of registration-fees: my position is not that of an advocate, but analogous to that of an enquirer giving an account of his investigations, or a Judge summing up evidence for the consideration of a jury.

"The discussions consequent on the Tariff Act of 1875 naturally led me to look into the whole history and structure of the Indian Tariff, and to consider all possible changes and alternatives. The idea of registration-fees, which is, as the Hon'ble Sir John Strachey has told us, a very old one, then had its share of attention, and I again examined it in 1876, when an opinion that many of the main heads of the Tariff did not yield enough to justify their retention was first emphatically urged on the Government of India. The matter, however, had no present importance until 1878, when the notification of March 18th abolished the duties levied on certain coarse cotton-goods, and under twenty-seven main heads of the Tariff. In this practical declaration that a duty was indefensible if it either was at all protective or did not yield a sum absolutely as well as relatively large, together with the important exposition of customs-policy contained in the Financial Statement of that year, was clearly foreshadowed the end of the bulk of the import-duties. At the same time, the financial difficulty of dispensing with such an important item in the Indian revenues was obvious, and I therefore, after my return from England

a year ago, obtained Sir John Strachey's permission, with full official aid, for investigating the registration-fee question in a more thorough manner than I had hitherto found practicable. I may here acknowledge the valuable assistance I received from Mr. J. D. Maclean, the Collector of Customs at Calcutta, from Mr. O'Conor, the Assistant Secretary in the Department of Finance and Commerce, and also from the Head Appraiser at the Custom-house, Mr. Phipps. A few days ago, too, Mr. J. W. O'Keefe, a member of the Committee of the Bengal Chamber of Commerce, and recently my colleague on the Tariff Valuation Committee, kindly placed at my disposal some very interesting and useful calculations and suggestions, drawn up by himself a couple of years since. But though I have been told that the registration-fee idea has been more than once mooted in India, I have been unable to discover on record one single line, official or demi-official, about it, and have therefore had to work it out, *ab initio*, on what I suppose to be its first principles.

"Registration-fees I understand to mean a charge upon *all* articles of import and export (except a few otherwise dealt with on special grounds), imposed primarily with the view of covering the cost of registering and publishing statistics of trade and navigation for the benefit of the commercial public, but enhanced for revenue-purposes slightly beyond the actual cost of such statistics. The excess charge is in reality a customs-duty, laid on quite irrespective of protectiveness or other general considerations, and defended on the ground, first, that it is needed for revenue, and, secondly, that it is practically inappreciable by trade.

"I will now relate my working out of the scheme on this basis. To be practically inappreciable by trade, it is evident that the form in which the fee is levied must be that which puts trade to the least possible trouble, delay and indirect expense, and that the rate of the fee must be extremely low.

"As to form, existing commercial practice might be largely followed. The denominations under which various descriptions of goods pay freight, dock-dues, quay-fees, landing and other charges are the gradual outcome of long experience, and will be found a valuable, though not infallible, guide. In other words, weight, number, measurement, customary package (*i. e.*, bale, chest, case, bundle, &c.), and the like, will each be found to have its peculiar appropriateness for certain goods, which may be charged accordingly. Again, wherever goods already pay dues to Port Commissioners, the registration-fee might be included in their bill, so that one payment would cover everything, and the merchant would be saved all separate dealing with customs-officers. In many cases the fee might be paid in stamps affixed to a bill, manifest, port-clearance or other document.

"As to rate of fee, it would seem that one per cent. is the very highest which could be imposed consistently with the principle. As to whether one per cent. would be 'practically inappreciable by trade' or not, I have received very conflicting opinions from mercantile men. Some contend that 'one per cent. is one per cent.,' and that in these hard times everything tells: others rejoin that the one per cent. duty on iron, for instance, and many even heavier private trade-charges, have not the slightest effect on the market. I must hasten to explain, however, that I do not mean that any goods, excepting possibly some few for which this would be the fairest course, should be charged the fee *ad valorem*, but merely that the fees fixed per ton, package, &c., should not have a higher incidence than this on the value of the goods.

"To draw up schedules of fees suitable in form and amount to the different classes of goods would evidently be a task of some difficulty, to be performed only by a Committee of experts, in which the mercantile community must be largely represented. The fees would have to be convenient round sums, and owing to this, and to fluctuations in value, there might often be an inequality in their incidence on different articles. But such inequality necessarily accompanies Tariff-valuations under the present system; the maximum being one per cent., it could here only extend to some petty decimal, and it would be redressed periodically by revision such as Tariff-valuations now undergo. Whether such a Committee could produce satisfactory schedules or not has been disputed. I am not prepared to affirm that it could. But I have been assured by excellent mercantile authority that the thing is quite feasible, and would incidentally produce much greater equity in Port Commissioners' and similar charges, and I am inclined to think so.

"The next point presenting itself is, what branches or classes of trade should be subjected to the fee? It has been strongly urged on me, by both official and commercial authorities, that the coasting-trade should pay it; but I am totally unable to concur. The coasting-trade could not be made liable without subjecting it to a vast amount of restriction from which it is now free, and reversing the policy of liberating it as much as possible which I followed in the Sea-customs Bill, now Act VIII of 1878. I cannot see why goods moved by sea from one part of British India to another should pay a fee any more than goods so moved by land, and we surely are not going to re-establish transit-duties throughout India. Moreover, goods moved from port to port would pay over and over again. As to other branches, it would be highly objectionable to levy a fee on treasure; and re-exports, which now get the benefit of drawback, should perhaps be exempt. Another exception to the registration-fee-system would be the case of articles on which it was necessary, for special

reasons, to maintain the existing duties—that is to say, arms, bearing a high duty for political reasons; salt and liquors, on which we levy an excise; opium, nominally, but for the maintenance of our monopoly; and rice. The case of rice is a peculiar one, but I need not discuss it as it has just been fully explained by the Hon'ble Sir John Strachey. In short, the fee-system, if introduced at all, might fairly apply to the whole external import and export-trade excepting the classes I have just mentioned.

"I will now turn to the financial aspect of the measure. From the Trade and Navigation Statements for 1878-79 calculations have been made, distinguishing every sub-head of the Tariff, and applying to the known quantities and values fees expressed (provisionally) in the denominations used for the statements, and not exceeding one per cent. in incidence. The result thus arrived at cannot be far different from that which fees, according to schedules eventually prepared by a Committee, would yield.

"The total receipts in 1878-79 from import and export-duties, excluding salt, were £2,273,000. Deducting £200,000 for loss by reduction of cotton-duties in 1879-80 and £56,000 for indigo and lac just made free, we have a customs-revenue of £2,017,000, from which further heavy loss through importations of free cotton-goods is anticipated. Deducting from this, again, the duties to be retained, namely, £5,600 for arms, £361,900 for liquors, and £570,300 for rice, we arrive at a balance of £1,079,000 derived solely from duties which would come under the registration-fee scheme. The fees are calculated to produce on imports £388,000, on exports £420,000, and by saving in customs-establishments about £80,000, total £888,000. This shews a loss of £191,200, compared with the £1,079,000 just mentioned. But this loss would be a final loss, and the fee-revenue would increase in future with the trade of the Empire; whereas, as things now are, the Financial Statement contemplates a loss of £50,000 in 1880-81 from importation of grey duty-free goods alone, and the ultimate disappearance of £615,000 more for cotton-duties, if not the abolition of the whole import-tariff.

"Such are, roughly speaking, the aspects which a registration-fee system, supposing I rightly understand it, would present if applied to British India.

"Those who approve of the system would probably support it by some such considerations as the following. Whatever may happen to customs-duties in general, some customs-establishment must be maintained to levy duty on salt, liquors and the other special items. The quantities, value and other particulars of all the seaborne trade, whether free or not, must always be collected and tested for statistical returns, such as the Board of Trade compiles and publishes in England, and a charge may fairly be made for this. Port Commissioners, who

levy certain fees on all goods, now exist at Calcutta, Bombay and Rangoon, and will probably soon be constituted at Karáchí—four ports which engross between them 88 per cent. of the whole trade of India. It is just as easy for a clerk to levy four annas in one bill as two annas. Why not utilise all this inevitable machinery for a registration-fee-system, securing a large sum for revenue-purposes, and at the same time getting rid of a mass of customs-officials and restrictions, with all the friction they involve? Again, this system will practically, as has been said in a Calcutta newspaper, 'lay for ever the phantom of protection.' Theoretically, it of course will not do so, since articles imported which can also be produced in India will be weighted with the fee, but the fee will be so light as to have no practical effect. Mr. Laing in 1861, and many high authorities since, have argued that an import-duty was justifiable on articles similar to any produced at home, if its amount was so moderate that it could not seriously affect trade, and that the establishment of a corresponding excise was not worth while. If this argument was good for anything when used, as it was, in support of a duty of five per cent. and upwards, it is infinitely stronger in support of a fee of only one per cent. At any rate, the system may well be accepted by all parties as an eirenicon, removing all grounds of bitterness and ill-will between India and Manchester, and as substituting an unexceptionable source of revenue, 'expansive in proportion to the progress of the Empire,' for a heterogeneous mass of duties open to, and destined to fall before, numerous economical objections.

"On the other hand, the advocates of a total remission of customs-duties may be expected to produce obvious objections. 'One per cent. is one per cent.,' they will say, a burden on trade and a protection of home-industries, just as bad in principle at one per cent. as at five per cent., but not so productive, and reaching numberless articles now absolutely free. Again, the fee can never be absolutely equal and equitable unless charged *ad valorem*, which would be very vexatious. Round sums must be fixed, which will vary in real incidence according to market-prices. Inequality of incidence *ad valorem* is justifiable in wharfage or Port Commissioners' charges, because packages occupy space, or cause labour in hoisting and removal, quite irrespective of their value, but to the case of a fiscal fee this does not apply. Moreover, £200,000 out of the proposed fees on imports will be derived from cotton-goods, so the whole remaining import-trade will be taxed for the paltry sum of £188,000! No duty, fee, or whatever else you please to call it, is worth the trouble of collecting if less than five per cent. Finally, the export portion of the scheme is especially obnoxious. Export-duties, excepting where there is virtually a monopoly of the foreign market, are equally condemned by economists and politicians. Sir

William Muir denounced them emphatically in 1875, with the concurrence of Lord Northbrook, and no one pretending to education or common-sense can say a word in their favour. It is no use in this case to talk of the lightness of the fee. The Indian export-trade (except in rice) lives 'by the skin of its teeth,' and cannot bear the slightest fiscal impost. Quick and easy communication, with competition, have so cut down profits that one per cent. often makes all the difference between gain and loss on a shipment.

"To this attack, the rejoinder may be offered that we cannot regulate practical questions by the theories of doctrinaires, and *de minimis non curat lex:* that one per cent. *is* inappreciable in all trade not of a purely speculative and unsound character; that on exports the fee might be only a half per cent., though this concession is not really necessary: that the 'inequality of incidence' objection to the fee applies equally to tariff-valuations, which are used by all nations as an unobjectionable convenience; and that as we must make some charge for keeping trade-statistics, the opportunity of aiding the revenue by a slight enhancement of it should not be thrown away.

"I must not ignore another class of objectors, who will demur to the entire proposition that the whole cotton-duties, much less the other import-duties, are either 'dead' or dying. They will contend that the recent reduction of cotton-duty has gone entirely into the pockets of Manchester instead of benefitting the Indian consumer, that the cotton-duties remitted should be re-imposed, and that even if they should eventually be removed, the other duties should be maintained on revenue-grounds, as they are collected easily and without pressure. They will be for sacrificing nothing except upon compulsion, and for living on in hope of a change of policy. But regarding such objections I can only note their existence, for to do more would be to raise the whole question of policy from which I began by declaring my intention to abstain.

"My Lord, I have now stated to the best of my ability the case for and against the project of registration-fees. It is fortunately not necessary for me to draw any conclusion, and I do not mean to do so, or to point at any. The subject in its principles and details needs general discussion and consideration by the public, and after that, a decision could be formed only in full view of the doom of the existing duties and of the alternatives presented. In the abstract, I presume that almost every one would prefer no duties. I myself, when moving the consideration of the Sea Customs Bill in February, 1878, expressed the following opinion:

"'The second step by which custom-house restrictions might be further and very largely relaxed is by alteration of our Customs-tariff. If it were possible in lieu of the fifty or sixty

main heads of the Import-tariff, to have duties on only six or seven important, well-defined and readily distinguishable articles, the relief afforded in the matter of preventive scrutiny, check, stoppage, seizure and the like, and informalities, would be enormous. It is, of course, no part of my duty to indicate or suggest any policy of this sort on general grounds. What I say is said merely in connection with the subject of customs-procedure now before us.'

"Whether the alternative to a registration-fee is to be absolute freedom, or the substitution of some other specified form of taxation, is a consideration material to the issue, and until the time has arrived, if it ever does arrive, when the Financial Member and the Executive Government think it necessary to present the question in a complete form, no final opinion can be satisfactorily arrived at."

His Honour THE LIEUTENANT-GOVERNOR said:—"My Lord, in common with all those who feel an interest in the welfare of this country, I congratulate the Government of India on its financial position as it was described in the statement of my honourable friend Sir J. Strachey, and I must congratulate the Government almost as much on having at length discovered how good its financial position really has been for some time past. I cannot too strongly express the gratification which I feel that the Government of India is now in a position to give unanswerable proof of the absolute groundlessness of the mischievous panic which has of late been started on the subject of the insolvency of India. But my congratulations would not, I am sure, be so valuable to my honourable friend if they were unaccompanied by such criticisms on his statement as should indicate the sincerity of the spirit in which I am dealing with the subject, for my honourable friend is well aware that there are certain financial points on which I am not altogether at one with him. Nothing is further from my mind than to make any disagreeable comments on the policy of the Government of India, and indeed it would be very unbecoming that I should do so. What I wish to do is simply to raise a voice of warning against a tendency to lose sight of some of the real causes of that anxiety, under the feeling of intense relief at our release from a position of embarrassment and anxiety.

"What I have to say is to a great extent in the interests of the Local Governments, because I think that we have been placed in a position in which we should not have been placed if a little more foresight and confidence in the elasticity of the revenue of this country had been shown. We have been exposed to a process of what is commonly called squeezing, and as a consequence, we have had to suspend all progress in administration and public works for a whole year. If that was all, I should not have so much to say; but

what I do complain of is that the same process is apparently to be continued for another year, when nobody can, I should think, hold that anything of the sort is necessary. In May last the Government was led to take a most alarming view of its position—a view which has now been shown not to have been warranted by the facts. So far as we are now told, there was nothing whatever to justify the scare which possessed the Financial Department in May. I am not among those who hold that the scare was not real: I fully believe that my honourable friend was suffering from the apprehensions which were then expressed. But though I am quite prepared to accept to the fullest possible extent Sir J. Strachey's assurance that this want of foresight on the part of the Government led to a searching examination into every branch of the public expenditure, which has been very useful and very satisfactory, I believe that this examination might have been just as well carried out without such violent measures. I greatly regret the entire abandonment of that great scheme for the development of public works and for the material improvement of the country which was put forward by your Excellency only two years ago, and which has been justly described by Sir J. Strachey as one of the noblest programmes ever planned by a Government. I do not care to enter into a discussion as to how far the Government was pledged, or how far it was not actually pledged, to devote the increase of public income which it received during 1878 and 1879 to public works. Whatever its actual pledges may have been, I think nothing can be clearer than that its intention was to invest the money in this way, and that it did lead every one to believe that the money would be so invested. It is quite certain that the public were induced to look upon these schemes for fresh taxation with comparative favour, on the ground that the proceeds would enable the Government to carry out at once, and without that constant change of policy which has hitherto been so mischievous to India, a grand scheme of public works; and therefore when the public see that if it had not been for expenditure on the war, the Government might in this one year have had four millions more to spend than it has spent on public works, and that this great increase of revenue, so far from leading to the promised development of public works, has been accompanied by such a contraction of expenditure on railways and irrigation as to make it impossible to look for any progress in the material improvement of the country for years to come, there is naturally a feeling of disappointment. What I complain of is, not any breach of pledges, but the unnecessary abandonment of an admirable policy.

"If we set aside the fact that the Financial Department might have foreseen this increase of revenue, and if we suppose the Government suddenly to have tumbled into this vast surplus, then I should say that my honourable

friend is perhaps justified, on suddenly finding himself in possession of a large and unexpected surplus, in devoting that surplus to paying for such extraordinary charges as the Afghan war; but if, on the other hand, other ordinary spending departments were starved in order to procure a surplus which might be devoted to the war, then I cannot admit that my honourable friend has been proceeding on a sound principle. He has impressed upon us the soundness of the doctrine that, to the utmost of our ability, we ought to provide for the expenses of every year out of the year's income. But this doctrine requires to be taken with a limitation to the effect that, in order to do this, the whole administrative machinery of the country should not be thrown out of gear, and that the Government should not for such a purpose depart from a policy of developing public works to which it has distinctly pledged itself when endeavouring to convince the people of the necessity for fresh taxation. Saying nothing, however, more about last year, I must say that I cannot approve of the proposal to meet the cost of the war in the coming year from revenue, so long as I find that, in order to do this, the Government of India is again compelled to starve public works, and let another year pass away in inaction. The Committee of the House of Commons, which recommended a reduction in the expenditure on public works, did so under an entire misapprehension as to the real financial condition of India, and clearly recognised that, when the financial position was shown to be better, a larger expenditure should be provided for. I believe it to be true, as my honourable friend has said, that the suspension of public works is a policy which is deplored by the Government of India as much as it is by every one interested in this country. I came out to this country in 1876 with my honourable friend, and I am able to say that the chief idea by which his mind was possessed—always of course excepting the abolition of the cotton-duties—was the carrying out of a great scheme of railways for India; but I cannot agree with him that the failure to carry out the programme of public works is a matter for which the Government are not responsible. If they had seen that the revenue was increasing steadily and enormously as it has done, they would not have taken such a desponding view of their financial position, and their despondency would not have spread to England. I do feel, in the face of these facts, that I am only doing what is right in urging in the strongest possible manner that the money obtained from the Local Governments under mistaken impressions should be returned to them, or at all events that the deduction in provincial assignments should not be continued, as my honourable friend proposes it should be, for the coming year. I trust that no time will be lost in setting matters right as regards the capabilities of India, and that even now some portion of the war-charges may be met by a loan in order to provide funds for pushing on public works. I shall then

see more hope for the future. I am sure that the Government have only to urge upon the Home Government the importance of carrying out the expectations encouraged when the new taxes were imposed to induce them to reconsider the present limit on public works. I can imagine no policy more short-sighted than that of starving public works; it is to them that we are indebted in a great measure for the steady growth of our revenue, and it is just as bad economy to starve them, as it would be for a man to starve the horse by which he earns his living. Railroads have added enormously to the general prosperity of the country, and in addition to the direct revenue they yield, no one really can fail to see how enormous are the indirect benefits which the country is receiving from them.

"When I look at the marvellous growth of our railway-receipts in our small Bengal railways alone, I am surprised that any one should doubt whether railways, if properly conducted and worked, will pay in India. The Gya railway, starved as it is, unballasted and unstocked, carrying passengers in goods-wagons, because it is not allowed money for carriages, is paying a profit of six per cent. in the first six months of working, and the goods carried by the Northern Bengal Railway were as nearly as possible double what they were last year, and yet with all the excellent schemes which have been prepared for a system of cheap lines throughout Bengal, the construction of railways is absolutely suspended.

"My Lord, I will now take up the only other subject on which I have any difference of opinion with my honourable friend: I mean the cotton-duties. Sir J. Strachey has given it as his opinion that the cotton-duties are virtually dead. Here I hope and believe that he is mistaken; but if they are not, it is certainly no fault of his. In spite of every warning that could be given, the Finance Department has so handled these duties, that the revenue lost was much in excess of their professed anticipation, and the confusion which they have caused has led to what Sir J. Strachey calls an anomalous and objectionable state of things, his only remedy for which is to leave the wounds which he has inflicted on our customs-system to fester and putrify till they become so unbearable that extermination shall be demanded by common consent. This is what he means by saying he believes the duties to be dead. I can only liken my friend to a not very scrupulous physician called in by greedy and unprincipled heirs-expectant to attend a sick relative. In his first visit, he administers the strongest dose of deadly poison which he dare give; at his second visit, he expresses great concern at the mischief caused by the first dose, and gives another of double strength to see if that will remedy matters; at his third visit, he expresses the greatest consternation at the entire break-up of the vital

system which his treatment has caused, and, rubbing his hands, turns to his constituents with an unmistakable smile and says—'I think our patient's case is now quite hopeless; my treatment has unfortunately caused such entire derangement of the system that I fear she is virtually dead, and I therefore prefer to leave her to nature.' If in addition to these facts it could be shown that such a physician had in his youth staked his reputation on a theory that a patient suffering under such a disease as that he was asked to treat ought to die, I am quite sure that any Coroner's jury would find him guilty of wilful murder, and my honourable friend need not therefore be surprised if the public find a verdict of this nature against him when charged with the destruction of the cotton-duties. Indeed, I do not believe that he would raise any objection to a conviction under this head. We can all see how the 'convictions of a lifetime' are being realised. This spontaneous destruction of the cotton-duties is, it seems, only a part of another prophetic vision, which is to be realised later on, under which the whole of the customs-duties are to be repealed, and all Europeans living in India, and enjoying the benefits and protection of a civilized Government, are to be absolutely released from the only contribution they now make towards the expenses of Government. This may truly be said to be prophecy made easy. The proper remedy for the confusion and anomalies which have been caused by the measures of the preceding year undoubtedly is that suggested by the Chamber of Commerce of Calcutta, namely, to bring all cotton-goods under a uniform duty, and to make that duty so low that no one can pretend, however brazen they may be, that the duty is protective; and I entirely differ with my honourable friend in thinking that the Government of India is in the slightest degree barred by the Resolution of the House of Commons from doing what is right in a matter so seriously affecting the revenues of India, and the interests of the people under his charge.

"I am sorry to see the prophetic eye of my honourable friend turned towards the abolition of the rice-duty. If ever there was a customs-duty which is alike productive and harmless, it is this. I will not go into a detailed statement of my reasons for thinking this, for I had an opportunity of doing so before this Council in 1875, and I had hoped that the matter had then been set at rest for ever. No one asks for the reduction of this duty; no one pretends for a moment it is mischievous; the merchants chiefly interested in the trade have deprecated its abolition, and I cannot conceive what possible grounds there are for meddling with this highly productive duty, unless it is that England hopes to obtain still cheaper the material with which she adulterates and makes heavy

her cotton-goods for Eastern consumption. The soft rice is not used for food anywhere in Europe, and it is the soft rice from which the duty is chiefly raised. It is simply used for making starch for cotton-manufacturers and spirits for Germany. As to the abolition of the duties on indigo and lac, I do not suppose that anybody will object to it, as my honourable friend has money to give away. The remission will certainly not benefit the trade in these articles of export in any tangible degree. It may, on the other hand, encourage the production of inferior indigo, and thus help the scientific discovery of an efficient substitute for indigo, which is so much feared.

"As regards the salt-revenue, I will only say that I belive that the increased consumption of salt in Bengal is not in any way attributable to the reduction of duty. The price of salt at the great markets in the interior has not been affected by the reduction. The money surrendered by Government went into the pockets of the traders. The increased consumption of salt is partly due to returning prosperity after years of scarcity and pinching, and partly to improvements in the means of communication. Salt is carried now with safety in a few hours to markets which before it only reached after a journey of some weeks, accomplished with much risk and wastage. These are among the indirect benefits of our railways which are so constantly ignored. Take the Northern Bengal Railway alone. In 1878 it only carried 2,000 maunds of salt, while in 1879 it carried over a lákh and seventeen thousand maunds. No doubt the differential duty which now exists to the disadvantage of Bengal is mischievous, and the Liverpool salt is being driven out of the Bihár markets by Northern India salt, but the remedy for this is, not to sacrifice still more revenue by a heavy reduction in Bengal, but gradually to level the other Provinces upwards, and make them pay what Bengal pays. No impartial man can believe that there is any reason why this should not be done, and why Madras, Bombay and Upper India should not pay what the people of Bengal pay without a murmur, and with a constantly increasing consumption.

"An allusion has been made by my honourable friend to the work of the Army Commission over which I had the honour to preside. I am sorry to find that he has not been able to take credit for any part of the savings proposed by the Commission during the current year; but I am quite aware that the subject is a great one, and that among the Commission's proposals are some. on which a very speedy decision is

not perhaps to be expected; on the other hand, there are some of the Commission's proposals which might in my opinion be carried out at once with great advantage. I have no hesitation in saying this, because, if there is one merit more than another which I desire to claim for the report of the Commission, it is that it does not contain a single original idea—certainly I cannot pretend that it contains a single original idea—of my own. All we did was to exhume and examine the opinions of able soldiers and statesmen which have from time to time been laid before the Government, to invite the opinions of soldiers of the present day, and to put them in such a shape as we hoped would enable the Government to come to an early decision on reforms regarding which there has been a most remarkable consensus of opinion for years past. I look upon our proposals as of very much less importance from an economical than from an administrative point of view; and when I think that the report contains the views of the most experienced officers of the army on such questions as the formation of reserves, a system of transport, the officering of the army, the reorganization of the Native army, its territorial distribution, and the substitution of strong efficient battalions for the present weak and expensive cadres, I cannot agree with those who say that this is not the time for the consideration of such a subject.

"My Lord, there is no part of my honourable friend's able and exhaustive statement in which I concur more heartily and more completely than that which lays stress on the wisdom of maintaining the financial independence of India. I think with him that the greatest misfortune which could happen to India would be that England should accept financial responsibility for the Indian Empire. Although I know that many of my Native friends think otherwise, I do feel that it would be a change which India would never cease to regret. It might no doubt be easy to make out a case showing that European interests are involved in the Afghan war, but I am quite sure that, if this principle was acted upon, not a year would be allowed to pass in which it was not shown that heavy expenditure in England was connected with Indian interests, and that India should be made to pay. We have had examples of this already, and if the principle of financial reciprocity be once admitted, these charges against India would be the rule and not the exception. If India was bankrupt, I could understand her selling her independence in order to obtain the necessary relief, but when she is flourishing and prosperous in the highest degree, such a wish is to me unintelligible.

"My Lord, I will not take up the time of the Council any further. I do hope that your Excellency's Government will take immediate measures to

obtain permission to expend more of the steadily increasing revenue of India on the improvement of India. We may hope that this may be done without greatly disturbing the budget-estimates; the last opium sale of this year, which took place yesterday, having given prices which will, if maintained, bring opium up by £1,300,000 over the estimates which were presented to us last week."

The Hon'ble MR. COLVIN said that, if he was not out of order, as he believed he was not, he wished to say a very few words by way of explanation, and to correct an error into which his honourable friend the Lieutenant-Governor of Bengal had fallen. What MR. COLVIN had said to-day was that, as he understood the arrangement under which the present taxation for famine-purposes had been introduced, it did not commit the Government of India necessarily to its expenditure on productive public works. His Honour had quoted, as if it had been contradictory of this, a passage from a speech uttered by MR. COLVIN three years ago, in which he had said that certain measures of which he was then speaking had been framed "solely with a view to the extension of provincial responsibility for public works." He wished to remind the Council that the speech from which these words had been quoted had no reference whatever to the question of famine-insurance. In 1877, no idea of providing for famine by special taxation had been conceived. The purely local measures to which MR. COLVIN had referred on that occasion were not intended for the prevention of famine, but for the transfer of responsibility on account of public works to the Government of the North-Western Provinces; they had absolutely no relation at all to the question upon which he had just been speaking.

The Hon'ble MR. RIVERS THOMPSON said:—"I do not think, my Lord, the Government of India can take any exception to the general character of the discussion which has passed this day upon the Financial Statement of the year. Indeed, in the presence of a budget which, above all that has gone before it for the last five or six years, is so unprecedently satisfactory (and perhaps its great charm lies in its unexpected refutation of anticipated difficulties), satisfactory not only in established results, but in its promising out-look for the coming year, and especially in this, that it seems to me to controvert the theories of professors as to the bankruptcy of India and as to the inelastic character of its fiscal system—I say in the presence of such facts, while we could scarcely have expected any expression of serious disapprobation or dispraise, we cannot be disappointed that a free discussion has taken place upon points which are considered open to objection. These appear in the speeches of my friend the Hon'ble Member who represents so ably and temperately the commercial interests of Calcutta, and of the Hon'ble Mahárájá who is a large landholder and

in deservedly high estimation among the Native community of the Lower Provinces; and they both speak to us with an authority which claims, I may say for the Government, our patient attention. I would add, speaking as a Member of that Government, that we welcome in every way the fullest and freest discussion of any topics of interest to India, which the debates in this Council permit, and especially so in the matters of such wide concern and magnitude as those which are raised in the annual Statement of our Hon'ble colleague the Financial Minister. The immediate question before the Council is simply as to the passing of an Act to amend the License Acts of 1878. My Hon'ble and learned friend (Mr. Kennedy) who spoke first in the debate, looking round upon us with great indignation, asked what justification there was for the introduction of heavy taxation upon the people in such a time of financial prosperity, and he seems altogether to have overlooked, till rightly corrected by your Excellency, that so far from imposing extra taxes, the Bill before us really contemplates the exemption of large numbers from the operation of an Act which has been two years in existence, and that, in fact, we are surrendering between three and four hundred thousand pounds by this measure. Simple and short however as the Bill is, the issues which are raised upon this question are great and diversified. involving matters of policy so vast as that concerning the prosecution of the war in Afghanistan, the liability of England to a share of the expenses, the measures connected with the insurance against famine, the action taken last year in a partial repeal of the cotton-duties, the prosecution of public works of a remunerative character, and the general question as to the applicability of direct taxation in a country like India.

"I am not going to inflict upon the Council a review of all these measures, I will ask your Lordship's permission, however, to say a few words upon the Afghan war, because it seems to me that the position and prospects of our finances depend to a large extent upon that war; and outside the Council, if not to-day within these walls, the policy of the Government has been unjustly censured and misunderstood. The work of a Member of Council is so little before the public, that it gives rise occasionally to impressions that the Members of the Government are not united in their action, and that grave dissensions on matters of public concern exist in the Government. I can appeal to your Lordship in the presence of my colleagues in the Government whether, as regards this war in Afghanistan, there has been the slightest difference as to the justice of its policy or as to its general conduct. We have been taunted with the declaration of an unnecessary war, and the prosecution of it in a cruel and costly manner. To all such I would recall the circumstances of the first intimation of the

arrival of the Russian Embassy at Cabul in September, 1878. At a time of peace throughout the Empire in India, when the Government were exercised by no greater considerations than those connected with the ordinary civil administration of the country and the prospects of the harvest after a somewhat adverse rainy season, we received the intelligence that a Russian Mission was established in Cabul. No one had dreamt of the possibility of such an event, and the fact that had been accomplished seemed to me always to prove two things very clearly, namely, the utter unreliability of our Native agency at Cabul, and the ease and secrecy with which a Russian advance on Cabul could be effected. This was not done in a manner which would have the character of a complimentary visit on some special occasion, under which the Russian Embassy would simply discharge its duty and retire. It must have been the work of long preparation and of secret understanding, and confidential accord between the two powers. The one wishing to come and the other welcoming an accepted guest. Triumphal arches and special demonstrations received the visitors, and such knowledge as we have of the secret conclaves which ensued and the whole conduct and proceedings of the Russian officers in the capital, prove to us beyond dispute that the object of the mission was one of active hostility to the English power in India. It may be said that everything is fair in love and war, and though we were not at war with Russia, I lay no particular stress upon the fact that she took such a step under the strained relations between England and Russia at the time. It must be remembered, however, that Russia had always declared, declared repeatedly, declared with all solemnity, that Afghanistan was a country beyond the sphere of her operations in Central Asia; and it may be, if the fact was truly known, that the Government of St. Petersburg had no intention of violating that promise. It makes it, however, as far as our position in India is concerned, none the less dangerous that irresponsible agents of Russia can assume to themselves the power of making such a demonstration as that of September, 1878, in Cabul, and when it came upon us with its startling announcement, I venture to say that no man who had the interests of India and England at heart, unless he was blinded by the exigencies of party-requirement or annoyed at the discomfiture of a personal policy of inactivity, would have hesitated for a moment what the action of the Government of the country should have been in such an emergency. I am not going to follow the fortunes of that war. I believe history will record that it has been conducted as humanely as it has been prosecuted with vigour and bravery and tenacity of purpose, and that, with no covetous desire of annexation of territory, our only aim as a Government has been to attain the establishment of a safe frontier under conditions which shall secure the protection and progress of the vast interests which lie behind that

frontier. It is to the cost of that war, commenced and carried on in behalf of these interests, that a great deal of hostile criticism has been directed, not in this Council but in many places outside of it, and it is in connection with this as affecting the financial administration of the country, that such a digression as that I have made is pardonable. But this point seems to me to be beyond dispute, that, if we had not interfered for the expulsion of the Russians, a Russian Residency would have been an accomplished, an established and a permanent fact at Cabul. All past experience of Russian progress among the Central Asian States confirms this opinion. A non-interrupted Residency in that capital would have led eventually to facilities of communication over the Hindu Koosh and beyond the Oxus, and as each year confirmed and consolidated that position, I ask those who condemn our policy either on political, on administrative, or financial grounds, what would have been the cost to the people of India, and what the security of their privileges and possessions under English rule, if we had stayed our hands in the presence of so grave an insult, and been indifferent to our responsibilities ?

"It is impossible to deny that the conduct of these extensive military operations has largely disturbed our financial arrangements—a disturbance which was greatly aggravated by the loss on exchange; and in the course of the present discussion, it has been argued by Hon'ble Members that the course which the Government has taken in an admitted difficulty arising from these circumstances, has been an improper course, and unjustifiable. Not only has the Minister been by implication condemned for a want of statesmanlike prevision, as if unprovoked wars and an extraordinary fall in the value of silver in relation to gold in the short period of a few months were of daily occurrence; but a breach of faith has been charged upon the Government for an unjust application of the money raised under the famine-taxes. Now, my Lord, I am aware that it was said in last year's budget-statement that the famine-insurance had ceased to exist. I trust my Hon'ble friend Sir John Strachey will excuse me for saying that I have always thought it an unfortunate expression; but however, that may be, it was made at a time when, from causes unavoidable or altogether uncontrollable, the financial position was overshadowed with gloom, and when definite forecasts as to the future were absolutely impossible. With the cost of, as I maintain, a just war, thrust upon them, the Government had the option of either opening a loan or extending the taxation of the country to meet the expenses of the war, or the course it adopted, of using the money which the taxation of the previous year gave as a part of the general revenues for the financial safety of the country, and exempting the people from further demands. I was not a Member of the Government when the License Acts were introduced, but

if the debates of the time are consulted, it will be seen that, while the Government in view of the increased obligations imposed upon it by the constant occurrence of famines, adopted an increased taxation upon the land and the trading classes for the relief and prevention of famines, it never bound itself by any promise that the moneys so raised should be constituted a separate and distinct fund which should be exclusively devoted to such an object. In the nature of things it was impossible that such an obligation could be accepted; and the accounts of the year now put before us have shown how the money not only raised under this taxation has enabled the Government not only to meet famine-expenditure but to prevent debt to the amount of nearly three millions.

"It has been urged by many, not only in this country but at Home, that in the character of this war which we were waging on our frontier, there was justification for England bearing a large share in the cost of that undertaking, as a war in a great measure in the interests of England, and in consideration of the financial difficulties of this country. I hope, my Lord, the interests of India and England will always be identical and inseparable; but I see no greater reason in the argument for English help in money for the Afghan war, instigated as it was by Russian design, than a war which, in the defence and maintenance of its rights, India should undertake against any other independent State on its borders, encouraged and supported by any other foreign power. We hear a great deal very often of the alleged subservience of India in the present day to the dictates of English rulers or the interests of particular politics. I can conceive no greater evil to India than her subjection to such a position, and I know no surer method by which that subjection could be brought about than her permanent obligation to and dependence upon the money of English tax-payers. We all remember the well known-saying of Sir C. Metcalfe that, if India is ever lost to England, it would be lost in the House of Commons; and the right to control and interfere in every detail of administration would be absolutely established were it ever accepted that England had such a claim upon us. We should be in the position of the familiar illustration of the shuttlecock between the battledores of rival competitors. The game might be interesting enough to spectators, but the process would be one in which we should before long suffer the loss of all our feathers. The character of India as a resource and support to the mother country, and as the brightest jewel in Her Majesty's crown, rests upon her independence. I trust that independence, within legitimate limits, will never be forfeited, and certainly not by any act of our own.

"But perhaps, my Lord, the most important suggestion, as being the most direct in its application to the Bill before us, is that which emanates from my

Hon'ble friend Mr. Morgan, that the License Act should be limited in its operation to one year. It was made, as he has stated, in the Select Committee, and was successfully resisted; and though no formal motion has been submitted upon that proposal now, I am not sorry that the Hon'ble Member has raised a discussion upon the point. He based his argument upon the general good prospects of the year, which promise again a considerable surplus at the end of it. I hope, as sincerely as my Hon'ble friend, that his anticipations will be fulfilled; but whether there be a deficit, an equilibrium, or a surplus, and whether that surplus be small or large, I object, for more than one reason, to the suggestion that this Act should be limited by specified provision to a single year's duration. In the first place, in the presence of a war, in the unsettled condition of Burma, and in the uncertainties of the season, the Government would be most unwilling to give such a pledge to sacrifice a revenue which amounts to more than a million pounds, for it is indisputable that, as a measure of taxation, the license-tax is but a supplement of the taxes which impose the cesses upon land. If one goes the others must fall with it. The Government has in no way departed from its resolution that a million and a half for famine-expenses and half a million for extraordinary demands must, for the solvency of the State, be included in our ordinary obligations; and it seems to me that it would be in the highest degree an act of incaution and presumption, if, with the first touch of returning financial prosperity, we surrendered a principle which is as sound in theory as it is necessary for our financial safety. Again, though I have said that I sympathise in the hope of the Hon'ble Member (Mr. Morgan) that at the close of the next twelve months we shall be able gratefully to look back upon a year of agricultural prosperity and extended trade, and with their blessings shall possess a considerable surplus for future needs, I dissent altogether from the conclusion, which the Hon'ble Member accepts, that it would be the duty of the Government to remit the particular form of taxation which the License Act provides. I do not pretend that it is a perfect measure, or that it does not present many anomalies, inherent in some sense in all systems of direct taxation, appertaining more or less, with all the long experience, to the income-tax in our own country; and I trust the coming year will afford us the opportunity of giving consideration to those anomalies and of modifying and rectifying their inconveniences. But this I do maintain that, for a sound fiscal system throughout our Indian Empire (and I would say in the Lower Provinces of Bengal in particular), some measure of direct taxation is absolutely necessary. It is contended that direct taxation is unsuited to India, and especially on the ground that the agency employed in realising such taxes is corrupt and rapacious, and the incalculable advantages

of an insensible indirect taxation are advocated with vehemence. I would ask, in the first place, to what cause primarily is the defective agency, on which such stress is laid, traceable? Ever since the days succeeding the mutiny, when the financial position of the country was most disordered, successive efforts have been made by successive Governments to establish a system of direct taxation, which shall secure the result that those who are rich and affluent and possessed of goods, deriving large benefits from their trade and commerce in the peace and order of British rule and development of the country's resources, shall bear their legitimate share in the State's burdens. No one would deny that such classes exist—no one will deny that the principle is sound which imposes such a liability upon them. But the unfortunate thing has been that, from the days of Mr. Wilson, license-taxes have succeeded our income-taxes, and certificate-taxes have followed upon license-taxes, in various forms and shapes and standards; and each in turn has been abandoned from an entire absence of settled continuity of administration in our finances. No agency could be perfected under such constantly recurring changes, and for myself I hope that, if the stamp of permanence can be given now to the principle which I have asserted, every day's experience will tend to lessen, and eventually to extirpate, those abuses, the effects of which have been already largely minimised where careful attention has been given to the working of the Acts, and which will be still further facilitated by the amendment which this Bill proposes of exempting from taxation under it all the poorer class of traders, all those whose annual earnings are estimated at less than Rs. 500; and though I express only an individual opinion here, I should advocate and support with satisfaction that, with a view to the permanency of our efforts in this direction, and a more equitable distribution of such taxation, the official and professional classes should be included in its provisions. It is only so, I believe, that a right financial system can be established throughout this country.

"I do not stay to dilate upon the rich openings to the wealth of the country and the happiness of the people which a wise system of provincial productive works is extending throughout the length and breadth of the land. I trust and believe that the restrictions which have been placed upon it are but temporary and accidental. We are but in the day of small things in this matter. The time cannot be distant when they will be resumed with increasing energy and effect, with results which, though we cannot calculate them all at present, will secure, we may be certain, the prosperity and contentment and loyalty of the people of this magnificent Empire."

The Hon'ble SIR ALEXANDER ARBUTHNOT said:—"My Lord, I wish that the Standing Orders admitted of Hon'ble Members speaking in a different order from

that prescribed. Under the present system of speaking from left to right, the Council has first a continuous wave of criticism, which is followed by a wave of reply, broken to-day by the ripple of comment introduced by my Hon'ble friend the Lieutenant-Governor of Bengal. I propose to offer a few remarks, with reference to some of the points which have been noticed by my Hon'ble colleagues, and it is possible that, in the observations which I shall feel it my duty to make, I also may slightly vary the wave of reply by a ripple of criticism. But before I proceed, I wish to add my congratulations to those which have been addressed by Sir A. Eden to your Excellency and my colleagues in this Council, and especially to the Hon'ble the Financial Member, for the exceedingly prosperous budget which he has been able to bring forward on this occasion.

"During the past year, I may say during the past eighteen months, the Government of India has passed through an anxious time, darkened as it has been by a costly war, and by a condition of our currency which, though it has slightly improved of late, has still constituted an excessive burden on the resources of the State; and had that double calamity been accompanied by deficient harvests and unexpanding or deficient revenues, I need hardly say that the present situation would have been a most serious one. But, by the mercy of Providence, the country has been blessed with an abundant harvest, with a remarkable rise in one important branch of revenue, and general prosperity in the remainder, so that the deficit which this time last year was estimated at one million and a third, has been converted for the current year into a small surplus, notwithstanding the resumption of the war and its heavy direct and indirect expenses; and we have a prospect of a surplus of nearly half a million for the coming year, after taking into account the continued expenditure which still may have to be incurred for the war, and notwithstanding the relief which is to be given by the Bill now before the Council to a number of persons, which has been estimated to be not less than $1\frac{3}{4}$ millions. This is a state of things which it would have been impossible to predict a year ago, and for which we cannot be sufficiently thankful, and notwithstanding what has been said by my Hon'ble friend the Lieutenant-Governor of the want of foresight which has been displayed, it seems to me that it would have been out of the power of the most prophetic vision to assume that the state of things which now exists, was at all likely to take place. It was impossible for my Financial colleague to foresee that the gross revenue from opium would, during the year, be increased by $1\frac{1}{2}$ millions; it was, perhaps, more impossible to predict with certainty that the unfortunate and calamitous loss by exchange from which the country has so long suffered, would be reduced in comparison with the then anticipations by $\frac{1}{2}$ million.

"My Lord, it has been urged by some of my Hon'ble friends at the other end of the table, that the expenses of the war ought to have been met by a loan, and that, if that had been done, the surplus of two millions, which it has been deemed necessary to provide with reference to the normal liabilities of this country to meet the cost of famines, would have been provided, and a good deal more besides. In the course of the remarks I am about to make, I will refer presently to the question of meeting war-expenses by a loan; but before turning to that subject I wish to observe that, in a great deal which has been said by Mr. Morgan and the Hon'ble Mahárájá, as to the imperfections and incompleteness and inequality of the system of taxation which the Bill before the Council is intended to continue, I very cordially concur. I am fully sensible of those imperfections; I am alive to the invidious exemptions for which that Bill provided; and I earnestly hope, though I shall not be here to see it, that before another year is over, the consideration which your Lordship and my colleagues will be able to give to this important question, will, if it shall then be deemed requisite to continue a system of direct taxation, enable you to place it on a basis which is more fair, more equitable, and which can be continued on a more permanent footing. And it appears to me that the remedy is not far to seek; that, in order to do what is necessary, we have only to revert to the system of direct taxation which was abolished in 1873; in other words, to revert to a light income-tax with a high minimum of income liable to the tax. The more consideration I have given to the subject, the more I have read about it, the more discussion I have heard, the more convinced I am that, if there must be direct taxation, an income-tax with a minimum so high as not to fall on the comparatively poor—a tax which shall compel the wealthy and the comparatively wealthy to bear their fair share of the burdens of the community—is the only right and equitable system of direct taxation, and the only one which can be permanently maintained; and when I speak of permanency, I wish to say that, in what has fallen from the Hon'ble Mr. Thompson, as to the evils and mischief of the constant shifting of this system of direct taxation, I most cordially concur. My hope is that, in the consideration which I trust will now be given to this question, a plan may be devised which can be adhered to without change, and without any material deviation. I am aware that by many persons such a step will be deemed to be retrograde. It will be said that the reasons which led the Government of your Excellency's predecessor to dispense with an income-tax as a part of the financial system of India, are not less cogent now than they were seven years ago. And while I think that, if the Government must have a system of direct taxation, an income-tax is the right and proper tax, I feel bound to say that I concur for the most part in the views which have been held, and which are

still held, by many, of the evils of such a system in its application to this country. In my opinion the course taken by the Government of Lord Northbrook was, in the circumstances of the time, a wise course, although it was opposed by three very eminent members of the Government, including the then Financial Member of the Council. It was opposed by Sir R. Temple, by Lord Napier of Magdala and by Sir Barrow Ellis; but notwithstanding the opposition of those eminent men, I believe that, politically, the abolition of the income-tax in 1873 was a wise measure. It was certainly a very popular measure, and it will be long before the grateful recollections by which it is connected with Lord Northbrook's Government of India are blotted out of the minds or the hearts of the people of this country. We must remember that the world is not governed by logic, and the sentiment, in deference to which it was deemed at the time to which I allude, inexpedient to continue the income-tax, was a sentiment which it might well be argued that it would have been unwise to ignore.

"But, my Lord, the financial position and the circumstances of the country are, in more respects than one, very different in 1880 from what they were in 1873. In the financial year 1872-73 our customs-duties yielded a revenue of considerably over 2½ millions, or nearly ½ million more than that particular source of taxation is estimated to yield during the ensuing year, the difference being very little below the amount of the income-tax which was levied in the financial year 1872-73, and which, at that time, at the reduced rate of 1 per cent., amounted only to £575,000. At that time, the agitation—and this is an important fact to which I would invite the special attention of the Council—the agitation which has since arisen against the continuance of the cotton-duties, had not commenced. The cotton-duties in 1873 yielded a revenue of, I believe, £845,000. Our Hon'ble colleague, the Financial Member, has told us very plainly what the results of that agitation have been; he has told us that, in his opinion, the days of the cotton-duties are doomed; and he has also told the Council—though whether his prediction on that matter will be fully verified still remains to be seen, but to my apprehension the prediction is a very grave one,—that the extinction of the greater part of the customs-duties, of duties which in 1873 yielded an income little short of 2½ millions, is merely a question of time.

"My Lord, there is another important difference between the financial situation in 1873 and the financial situation in 1880. At the earlier period, the financial responsibility which the Government has since accepted in connection with famines, had not been fully recognised. The famine which shortly

afterwards ensued in the western districts of the Provinces under the Government of the Lieutenant-Governor, had not commenced; the calamitous famine which, a few years later, desolated the Southern and Western Presidencies of India, was still hidden in the dim recesses of the future. It was merely suggested as an object which ought to be aimed at, but with regard to the accomplishment of which there was no certainty, that, if possible, the Government should provide a surplus to meet charges of that kind and other unforeseen expenditure of a million a year.

"Moreover, in 1873, India was at peace, and although at the time to which I allude, an event had happened which might have warned the Government of what afterwards took place; although we might all have known, after the occupation of Khiva, that the breaking out of troubles, and possibly of war, on the North-Western Frontier was merely a question of time, the contingency was not seriously kept in view either by the Government of India or by any party in the State. As a matter of fact, the last thing that anybody thought of was, that, in less than six years, the Government of India would be engaged in a costly war.

"In 1873, again, the great calamity—for I can characterise it by no less serious a term—of the depreciation of the currency, which had put the whole of the finances out of gear, although it had commenced, had not attained anything like the dimensions it has since assumed. In 1873, the loss by exchange was a little more than half a million. For the ensuing year, my Financial colleague has been obliged to estimate for a loss by exchange of £3,174,000, and if we are to judge of the uncertainty of the question by the fall which has occurred even during the past week, the Government cannot be at all certain that the estimate will prove to be sufficient.

"I think my Hon'ble colleagues will see, in the circumstances to which I have drawn attention, that very important changes have occurred, which make the situation and prospect in 1880 very different from the situation and prospect in 1873; and that a tax which it was wise to dispense with in 1873, may prove to be a measure of absolute necessity in 1881. Therefore, my Lord, while speaking as an individual Member of this Council, I deeply regret the policy which has deprived the Government already of a portion of their indirect revenues, and which threatens to exterminate an important branch of those revenues altogther; while I view that policy with the gravest apprehension; I cannot but recognise the fact that, as a result of that policy, a permanent system of direct taxation may prove to be inevitable. And if it shall so prove, if events shall so turn out that the Government of this country shall deem it necessary to retain

such a system as a permanent part of their fiscal system, I feel bound to say that, in my opinion, it will be incumbent upon the Government of India to place that taxation on such a basis that it will touch not only the trading community, but all the comparatively wealthy, and especially all possessors of realised property, and to discard the present license-tax, which, notwithstanding the remedy afforded by the Bill before the Council, still falls unduly on the comparatively poor, and too exclusively on one class of the community.

"My Lord, it has been said during the debate to-day, and it has been often said outside this Council, that the Government of India are dealing unfairly and unjustly and unwisely in not imposing a tax, which was at one time contemplated, on the official and professional classes. I cannot help remarking, when I allude to this topic, that the proposal, when it was made three months ago, did not receive the welcome which might have been anticipated; and I may remind Hon'ble Members how it was then pointed out, as to that proposal, that it was only a partial mode of restoring the balance of taxation, that it still left the system of direct taxation imperfect and incomplete, and that it still left room for unfair and invidious exemptions. I trust that, in the further consideration that may be given to the subject, any such partial measure as that will not be thought of. I hope that the official and professional classes, as well as the trading classes, and all classes of the community who possess realized property, will be called upon to bear a fair share of the burdens of the State.

"I may be asked why, holding these views, I am prepared to vote for a continuance of the license-tax, the amendment of which is now before the Council. In the first place, no motion has been made against the Bill which provides for that amendment; but I feel bound to say that, if the Council had been divided, I should have felt it my duty to support the motion of my financial colleague. The Council must remember that such a thing as the resumption of an income-tax, after all that has been said and done on that subject, after all the denunciations of it which have taken place, is not a thing which can be hastily resolved upon. It is not a measure which the Government could resolve upon without the sanction of the Secretary of State, and I think that, notwithstanding the unexpectedly prosperous figures which characterize the budget now before us, it will be apparent to those who examine the figures in connection with the facts to which I have alluded, that if the Government were now to dispense with the whole of the direct taxation which has been enforced during the last two years, and if we omitted to provide a substitute for it, we should land ourselves in a deficit. It may seem to those who entertain more sanguine expectations than I venture to entertain in regard to the condition and prospects

of the revenues, that for such a deficit the Government of India might well be prepared, that the risk would be so light that it would do no harm to run it. But it to appears to me that, at the juncture in which we are now placed, the Government would require a great deal of justification, and would find it very difficult to justify their incurring the risk of a deficit amounting to not less than a million a year; for if the license-tax were to be dispensed with, in common fairness Government would be compelled to remit that portion of the additional direct taxation which is borne by the land; and at such a time as this, he would be a bold man, after all that has happened during the past few years, who would venture to predict what is likely to happen in the future or even a few months hence. We all hope, and no one more earnestly than I do, that the war in which we are at present engaged, will speedily be brought to a close; but the burden which that war, or perhaps I should say the events which brought about that war, will impose upon the Government of India, is not a burden from which we shall be entirely relieved. We may hope that a considerable portion of the war-expenditure now being incurred will be got rid of; but we cannot expect that we shall be able to maintain what is called our rectified frontier, without a considerable and permanent increase to our military charges; and when I say this, I do not forget the recommendations which have been made in the able report presented by the Commission, of which Sir A. Eden was the president. Those recommendations will, I have no doubt, enable the Government to effect some economies; but I very much fear that these economies, right as some of them may be, and innocuous as some of them may prove, will be more than counterbalanced by the additional burdens that will be imposed upon us by the great change which has taken place in our military situation.

"And, my Lord, when I turn to the receipt-side of the budget, I must venture to say, notwithstanding all that has been affirmed to the contrary, that it is possible to take—and that if we are guided exclusively by the figures of the present budget, we shall be pretty certain to take—an unduly sanguine view of our future prospects. We must remember that one of the principal causes of the very favourable aspect of the finances at the present moment, is the great increase which has taken place in the opium-revenue. According to the budget-estimates, the nett opium-receipts are estimated at not less than 7½ millions. That is an estimate exceeding by more than one million, the actual nett average receipts from opium for the last ten years. Now, it may be said that there is no reason why the present increasing and expanding revenue from opium should not be maintained, and still further expanded. But I think we should recollect that the very nature of this opium-revenue—the very nature of the sources from which this revenue is derived—renders

it a very precarious item in the revenues of India. It is an item of revenues which is liable to incidents over which the Government of India can exercise no possible control. It may be that, for a series of years, the opium-revenue will continue to be maintained at its present high standard; it is possible that it may continue to expand; but, on the other hand, it is equally possible that a serious diminution may take place.

"My Lord, I have referred to the anticipated decrease in the customs-duties. Of that loss of revenue only a very small portion has been provided for in the present budget; but if the anticipations of my Hon'ble colleague Sir John Strachey shall in any degree be realised, a great part of the surplus which, if there were no war to deal with, would be yielded by the revenues of the present year, will then completely disappear. In these circumstances, I cannot but think that the Government of India will exercise a wise discretion, if we hesitate, without the most careful consideration, to part with any existing source of revenue without supplying its place by an equivalent.

"My Lord, it has been argued, I believe by my friend Mr. Morgan and the Mahárájá, and something to the same effect has been said by the Lieutenant-Governor, that either the whole or a portion of the existing war-expenses ought to have been met by a loan. It has also been said, in other quarters, that the cost of the war ought to have been shared by England. I have just expressed my dissent from the policy which has been adopted by your Lordship and my financial colleague with regard to one branch of the finances, and on certain other financial matters, not in this Council, but in the consultations of the Government of India, I have at different times felt it my duty to dissent from your Lordship's policy. But, as regards this matter of a loan for defraying the expenses of the war, in what has been said by my financial colleague and by my Hon'ble friend opposite, as to the inexpediency of throwing any part of the charges of this war on the Government of England, it is impossible for any Member of this Council to concur more heartily than I do. When I remember how enormously during the past twenty-three years, during the period which has elapsed since the mutiny, the debt of India has been increased; when I consider the heavy burden of interest which now weighs upon the country; when I regard the present political situation; when I consider the possibilities of the political future; and when I bear in mind the demands for improvement in every branch of the administration, demands involving additional expenditure, however great may be the economy with which the administration is conducted, my feeling is, that to add to our debt in a time of unusual financial prosperity, even to meet the cost of a war, would be to take a course, which not only

it would be impossible to justify, but which it would be difficult, in my opinion, too emphatically to condemn."

His Excellency THE COMMANDER-IN-CHIEF said that he had not intended to offer any remarks on this occasion, but those of the Lieutenant-Governor regarding the immediate measure of relief which might be expected from the recommendation of the Army Commission, he thought, demanded some little comment. Every one knew with what delight a father looked upon his infant; but when the young gentleman was presented to the world, he was not always received with a uniform meed of admiration; therefore, HIS EXCELLENCY must observe, that the Commission over which Sir Ashley Eden presided had produced a very symmetrical work at all events, and so far he deserved immense credit for it, whatever might be said regarding the details when discussed. But as regards the immediate financial relief, he thought His Honour would admit, and he considered it right that the Hon'ble Members should know, that from the statements made by the Commission itself, the recommendations made by it could not possibly have an immediate result. The position in which the Army now stood was not that contemplated by the Commission, when the reductions involved in their recommendations were brought forward. Who could say that the Army would ever again occupy the position it held in September last? He did not think such an idea could, even for one moment, be entertained, and therefore, he said, that neither Sir Ashley Eden, nor the members forming his Commission, could possibly forecast the future, or say that the Army would ever revert to the position in which it was when they felt themselves justified in bringing forward the measures they had. Sir Alexander Arbuthnot had touched upon this point, and also referred to the advance upon Khiva. HIS EXCELLENCY was always one of those who looked upon Khiva as a mere prologue to Merv, and consequently to Herat, and that he believed was now working itself out. Who could say what military complications might be brought about, and he hoped, consequently, that Government would not anticipate any immediate relief from the army reduction.

His Excellency THE PRESIDENT said:—"The Financial Statement, which gave rise to the Motion now before the Council, was so full and clear, that I should be reluctant, at this late hour, to delay the vote by any lengthened remarks, were it not that this is my only opportunity of personally noticing various criticisms on the financial administration of the Government I have the honour to represent. Those we have heard in the course of to-day's discussion, I will endeavour to answer with all possible brevity. Others which have emanated from leading English statesmen, I feel bound to notice at greater length.

"In the course of his interesting speech, my Hon'ble colleague, Sir Alexander Arbuthnot, explained his personal views on the general subject of direct taxation, with special reference to the reasons which would, in his opinion, not only justify, but necessitate, recourse to an income-tax, if a larger revenue from that source were actually required by the Government of India. As this is not at present the case, I will not pause to discuss the recommendations of my Hon'ble colleague; but I freely admit that the present very limited direct tax upon trades and callings is not strictly scientific, or completely logical. I believe that no form of direct taxation short of an income-tax could be made wholly free from these objections. It is, indeed, this consideration which has influenced my concurrence in the decision not to supplement the license-tax by taxation based on any different principle, and not to seek, from the extension of that tax to the salaried and professional classes, the recovery of the revenue sacrificed by exemption from it of all incomes under Rs. 500 derived from trade. In the present favourable condition of our finances, I do not think we could justify to ourselves any measure which would have the effect of increasing taxation merely for the sake of scientific re-adjustment. It will be time enough to discuss the principles which should regulate such re-adjustment whenever the occasion for making it arises. It would not, in my opinion, be expedient, and for myself and the Members of this Government it is, in any case, impossible, to set forth now what the Government may, or will, do whenever it is called upon to deal either with a large deficit, or a large surplus. In the former eventuality, the considerations set before us by my Hon'ble colleague, Sir Alexander Arbuthnot, would certainly demand, and doubtless receive, most careful examination. But I think it right to say, at once, that if, in the latter eventuality, we were enabled to contemplate a large remission of taxation, it seems to me very doubtful whether it would be by the remission of the license-tax that we should commence the enjoyment of our good fortune. Not to mention other taxes to which objection might reasonably be made, we should, for instance, have to consider the still existing taxes upon salt. Our policy of equalising the salt-duties throughout India has been carried out, thus far, with great financial success; and it has largely increased the consumption of salt. But this policy may still require, for its completion, some temporary sacrifice of revenue.

"The success of our efforts to effect the early removal of the great salt-cordon is largely owing to the friendly and enlightened spirit in which our representations have been received by the Native States concerned, and also to the intelligence and loyal exertions of our own political and fiscal officers. Of the former, my acknowledgments are due to Mr. Alfred Lyall, a gentleman of

rare intellectual gifts and attainments, to whose efficient assistance in the administration of our Foreign Department I am greatly indebted; and also to General Sir H. E. Daly, and Colonel Bradford, for their cordial co-operation with Mr. Hume, the value of whose labours in this matter have been repeatedly acknowledged. Of the latter, I must mention, with special gratitude, our late colleague in this Council, Mr. George Batten, who was one of the earliest and most enlightened apostles of the policy it has been my privilege to promote; and also Mr. Halsey, who has energetically assisted the prosecution of it. The Council will, perhaps, allow me to mention here that, on my way from Simla to Calcutta, I recently took occasion to visit the most important of the salt States of Rájputána and Central India, with the object of ascertaining, from personal observation and enquiry, the practical effect of our late measures in the States thus visited. So far as regards the rulers of those States, I ascertained that they are perfectly satisfied with the arrangements we have made with them. These arrangements, indeed, have everywhere largely benefited their revenues. As regards the populations of the States concerned, so far as I can judge from the assurances I received from their Native representatives, and from the statements of our own local officers, the necessarily increased price of the salt consumed by them has nowhere given rise to discontent, or caused any serious discomfort. In some parts of the country, where the Bunjara traffic had been temporarily disorganised, salt, I found, was dearer than it should be. But the formation of depôts for the sale of it at a distance from the places of production, and the extension of railways still in progress, will, I feel assured, rapidly remove this only drawback to the advantages of a reform which, in its essential consequences, has proved eminently beneficial to all concerned. I may add that the practical working of the new system has been wonderfully free from friction. I was not without anxiety, lest, in practice, it should have encountered difficulties not adequately provided for by our agreements. But, so far as I could ascertain, no such difficulties have occurred, and certainly the practical success, thus far, of our recent arrangements with the salt-producing States, has surpassed my most sanguine expectations.

"I must now ask leave to notice briefly the chief objections I have heard since last Tuesday, and more especially in the course of to-day's discussion, to the financial policy of the Government, as explained by my Hon'ble colleague in his Statement of last week. The first of these objections is that the inutility and impropriety of our reductions in public works establishments, and other useful branches of administrative expenditure, is now clearly demonstrated by the satisfactory result to which, I must take leave to say, those timely reductions have not slightly contributed.

"It is certain, however, that, but for the reductions complained of, the present year would have ended in a deficit amounting to the by no means contemptible sum of at least three quarters of a million. And next year, also, we should have had to estimate for a deficit, a smaller one no doubt, but still a deficit, in lieu of a surplus of £417,000. I shall presently have occasion to point out that the contraction of our expenditure on *productive* public works, which occasioned a great portion of these reductions, was a measure not under the control of the Government of India, and about which we had no option. The grant on account of *ordinary* public works is not less for next year than the amount actually spent on those works in any previous year, although the official machinery for the prosecution of them has been considerably cheapened. These so-called ordinary works are of great utility; and many of them are of a reproductive character. In other branches of the administration, there has been no sacrifice, and in some there has been a decided increase, of efficiency. The reductions and economies, for which we are responsible, have undoubtedly been facilitated by the recognised uncertainty of our financial prospects, which justified caution and stimulated economy. But they were, in my opinion, requisite and salutary, without any reference whatever to the present or future condition of our finances. I hope we shall steadily continue the good work thus commenced: for I consider that we shall be grossly neglecting our duty to the State, if, even when we have converted our small surplus into a large one, we were, on that account, to relax our efforts to reduce all expenditure not clearly needed for the efficient service of the State, or to improve the economic administration of all expenditure which *is* necessary for that purpose.

"My Hon'ble friend the Lieutenant-Governor, who has criticised our budget in a candid and practical spirit which I gratefully appreciate, told us that, experience having shown how unnecessary it was for us to call on the Local Governments for special contributions from their balances to the imperial treasury, we ought now to refund to them the sums needlessly taken from them; thus furnishing them with the means to carry out useful works which, in their present impoverished condition, they are unable to undertake. Now, I fully share the views expressed by my Hon'ble friend as to the great importance and value of useful public works; and I shall regret no less than His Honour any unnecessary or unduly prolonged stoppage of them. But from a financial point of view, I think the Local Governments cannot fairly complain of their treatment or present condition. The fact is that, after making these special contributions to the imperial treasury, amounting altogether, in the last few years, to £670,000, the Provincial balances of the Local Governments will actually be larger by nearly half

a million than the sum at which they were estimated at the commencement of the year. In Bengal more especially, the budget-estimate of the Local Government for 1879-80 showed, as the closing Provincial balance of the year, the sum of £357,000; the amount which the Local Government will actually have in its possession, after making a special contribution to the imperial treasury of £200,000, will be no less than £524,000, and its closing balance for next year is estimated at £562,000. Thus, the Bengal Government is very much better off now than it was before its special contribution was made. Of course, no doubt, the reason why money is there, is that it has not been spent: but I am not now discussing the expediency of public works expenditure, whether provincial or imperial. I merely wish to point out that these contributions have not impoverished the local treasuries. As regards the imperial treasury, however, I must remind Hon'ble Members that, but for these special contributions, we should show, for the present year, instead of a small surplus, a deficit of nearly a quarter of a million sterling; and that, for next year, our estimated surplus would very nearly disappear altogether.

"And this consideration leads me to follow the example of His Excellency the Commander-in-Chief, by making a few remarks on the military Commission, whose valuable labours were so admirably conducted, and have now been so effectually concluded, by its distinguished President, my Hon'ble friend the Lieutenant-Governor of Bengal. The report of that Commission is still under the consideration of Government; and, until it has been laid before the public, it would not be proper for me either to refer in detail to its recommendations, or to express, from this chair, any opinion upon them. But there is one result of that Commission which I am free to mention, and which I desire to point out. My Hon'ble friend the Lieutenant-Governor and his fellow Commissioners have succeeded in collecting from all parts of India an immense body, not only of information, but also of opinion; representing the official experience and personal views of all the most competent practical authorities, both civil and military, on every question submitted to that Commission for examination and advice. These materials are invaluable. So far as I am aware, no such copious and detailed information, no such collection of authoritative opinion, on the organisation and administration of the army has, at any previous time, been in the possession of the Government; nor do I think it will, at any future time, be in the power of the Government to augment the mass of materials thus collected. These materials, which are very voluminous, the Commission has annexed to its report, which bears conspicuous evidence of the conscientious care and labour devoted by it to the examination of them. It is now, therefore, possible for the Government, and, ere long, I trust it will also be possible for the public, to compare the

recommendations of the Commission with the evidence on which they are based. All who read the report can thus judge for themselves how far its conclusions are sound, or its recommendations wise; and to what extent they are in accordance with verified fact or practical experience. That being the case, I must certainly say that both the Government of India and the Government of Her Majesty would gravely neglect their duty, and incur a most serious burden of responsibility on behalf of the increasingly important public interests, financial, military and administrative, which are involved in the result, if they failed, or delayed, to give to this report the most impartial and practical consideration. I cannot too highly express my lasting sense of our great obligation to my Hon'ble friend Sir Ashley Eden for the astonishing industry with which he has devoted his great intellectual powers to the accomplishment of one of the most arduous, and one of the most important, tasks ever undertaken by an Indian statesman. I wish also to express my appreciation of the work done by the able and distinguished officers who assisted Sir Ashley Eden in the labours of the Commission. There is one of those officers whose services in connection with that Commission were the latest but not the least of the many he has rendered to the Government of India. I refer to Sir Peter Lumsden; and I cannot refrain from making special mention of his services on that occasion, because they were given without stint, at a time, during the greater part of which he was simultaneously discharging the honourable and onerous duties of Chief of the Staff; a post of great importance during the progress of military operations, to which I had much satisfaction in appointing him in compliance with the strong recommendation of His Excellency the Commander-in-Chief.

"The second objection I have heard made to our financial policy, of which the results were shown by Sir John Strachey in his Statement of last Tuesday, is curiously derived from the unexpectedly reassuring character of that Statement. It has been said that, if our financial prospects are so bright to-day, they could not have been, three months ago, so gloomy as we supposed or represented them to be. In short, that we ought to have foreseen from an earlier date the financial results which were announced last Tuesday; and that, if we did not foresee them, we have been singularly deficient in foresight. I am unable to perceive how we could have foreseen the sudden and unprecedented expansion of our opium-revenue, for which we had estimated at a higher figure than it was ever estimated for before; or the partial recovery of our exchanges, upon which no cautious financier could have ventured to base any important calculation, or the other causes which have led to so remarkable an improvement in our financial position. But 'How does it happen,' we are asked, 'that, only two months ago, the Government was doubtful whether it

could afford to remit taxation to the amount of £340,000 upon the poorer classes of traders and artisans without recouping itself by the extension of taxation to other classes ?' Well, in reply to this inquiry—and I do not say that it is by any means an unnatural inquiry—I wish to make one observation. The Government was certainly, and I venture to think rightly, anxious not to close the present or the coming year with a deficit, if it could legitimately avoid doing so. A deficit, whether small or great, brings with it a certain amount of dissatisfaction to the community and discredit to the Government, even when it is susceptible of explanation upon grounds that will satisfy all reasonable persons. There is much practical wisdom in a well-known remark by Mr. Micawber, whether that remark be addressed to individuals or nations. Mr. Micawber, as Hon'ble Members are aware, was a gentleman who had large experience about deficits. And on the subject of them he laid down the follwing golden precept. I will repeat it in his own words, which cannot be improved. 'Annual income, twenty pounds: annual expenditure, nineteen, nineteen, six. Result, happiness. Annual income, twenty pounds: annual expenditure, twenty, ought, six. Result, misery. The blossom is blighted; the leaf is withered; the God of Day goes down upon the dreary scene, and—and, in short, you are for ever floored.'

"Now, let me apply this maxim to our own position. With a revenue of 67 millions, it is obviously impossible, even in the last three months of the year, to foresee, with any certainty, whether or not a sum of less than a quarter of a million will be required to avoid deficit. As a matter of fact, this sum of £340,000 would have turned the scale between deficit and surplus; in other words, the part played by the license-tax in our calculation was that of Mr. Micawber's sixpence. Relatively indeed to the vast amounts of revenue and expenditure with which we are dealing, it would be more difficult for us, even when approaching the close of the year, to be certain whether we require £340,000 to balance our account, than for Mr. Micawber to calculate *his* account of £20 to a sixpence. And we had not only to provide for this year, but also for the next. As soon, however, as we were fairly assured of a surplus, we decided, for the reasons already explained by Sir John Strachey, not only to persevere in our resolution to reduce the license-tax by exempting from its operation all trade-incomes under Rs. 500, but also not to seek the recovery of the income thus abandoned, by the contemplated taxation of the professional and salaried classes; although, in our opinion, such taxation would have been perfectly justifiable, when, last November, we were seeking to protect the State from loss on the remission of the tax upon the poorer traders, by shifting the burden of it to stronger shoulders. Nor, indeed, am I

prepared to maintain that, from any other point of view than that which I have endeavoured to explain, the exemption from taxation of any class which does not at present pay its fair contribution to the necessities of the State, is free from the animadversions we have heard to-day. By some, however, who do not dispute the point on which Sir John Strachey laid stress last Tuesday,—namely, that the license-tax and the land-cesses are so closely associated in principle and object that they must stand or fall together; and that, if the Government cannot afford to give up the one, it must not give up the other,—it has been urged that we have weakened this obvious reason for maintaining the license-tax, by our very endeavours to free that tax from its most objectionable feature; that, in short, the exemptions we have made on behalf of the poorer class of traders demand similar exemptions on behalf of the corresponding class of agriculturists; and therefore that, unless the whole of our famine-taxation can be thus re-adjusted, it ought to be entirely abandoned. I am unable to follow that argument. The reasons which led the Government to exempt the poorer class of traders are clearly inapplicable to the corresponding agricultural classes. Of these latter it has never been alleged that they were made the victims of maladministration and oppression in the assessment and collection of a tax which, if not improperly levied and collected, is neither unjust nor injurious to either of the two classes concerned.

"I must now say a few words about the cotton-duties. They shall, however, be as few as possible. My Hon'ble friend the Lieutenant-Governor of Bengal has, with much pathos, reproached us for our barbarous maltreatment of those suffering and now perishing duties. Well, I must admit that our pathology has not been conducive to the longevity of the patient. But our position in this matter has not been that of physicians who have bungled young Hopeful, or perhaps I should say old Hopeless, to death. It has been rather that of engineers laying seige to to a hostile stronghold, with the avowed object of breaching its fortifications, when the prosecution of that object is restrained and retarded, partly by lack of powder, and partly by consideration for the terrified women and children who have taken shelter within the walls of the fort. In such circumstances, the engineers concerned would carry out with caution the orders of attack. They would extend their parallels slowly; and, trusting to time, patience, and their knowledge that the enemy's position could not permanently hold out, they would regard the spontaneous capitulation of the garrison as a result preferable, even if less rapid, than any which might have been obtained from the premature delivery of a general assault. That, at least, is the light in which I have always regarded my own position, and, apparently, we may now expect, ere long, the spontane-

ous capitulation of the fortress. I have purposely laid stress on the fact that this has been from the first not only our deliberate, but also our unconcealed, object; for, however highly I might approve the object itself, I trust I should be the last member of this Government to approve, or justify the insidious or deceitful attainment of it. I must, however, remind the Council that in every one of our Financial Statements for the last three years, the complete abolition of the cotton-duties has been openly avowed as the ultimate aim of the policy we have been pursuing, in accordance with repeated resolutions of the House of Commons, and repeated instructions from the Secretary of State. Every step taken by myself towards the attainment of this object has been restrained only by considerations of time, opportunity and expediency; never by disapproval of the goal to which, at every stage, those steps were tending, and to which, from the outset, they were addressed. On the question of the cotton-duties, I have always, when speaking in this Council, or on behalf of the Government of India, been careful to avoid controversial discussions to which I was not directly challenged. But I have never disguised my opinion about these duties. Speaking on the subject of them, and speaking from this chair, in 1877, I said—'I have the misfortune to differ on this subject from many able and honourable gentlemen. Some of them have wide experience on fiscal and commercial questions, and not a few of them are my esteemed personal friends.' I explained why, partly for this reason, I refrained then, as I refrain now, from all unnecessary discussion of the points on which we differed. 'But' I added—'There is one view of the question to which I must demur. It is that which assumes, on the one hand, that those who advocate the maintenance of these duties, do so regardless of their obligations as English statesmen to English interests; or, on the other hand, that those who, like myself, desire their removal, are recklessly indifferent to the duty which, as Indian legislators, they owe to Indian interests. I do not accuse our opponents of disregarding the interests of England; but I am not prepared to concede to them a monopoly of disinterested devotion to the welfare of India.' Well, I do not now wish to defend the views then expressed, in any controversial or aggressive spirit. I will not stop to discuss whether the consumers of the goods we have already cheapened are Englishmen or Indians. But what is the present practical effect, upon Indian interests, of the continued duty upon English cottons? Why, they are tempting, or driving, the English manufacturer in one direction, and the Indian manufacturer in another direction, to the manufacture of cloths which neither of them would wish to make, were it not that the one desires to escape the duty, whilst the other desires to produce goods protected by it. From those who still suppose that the pressure of a five per cent. duty upon cotton-imports is too light to have any appreciable effect, let me

solicit consideration of the serious extent to which the whole character of the trade has already been actually changed by it.

"But on other points of more immediate moment our financial policy has been recently criticised by eminent and influential gentlemen whose statements call for serious notice. Mr. Forster, a distinguished Member of Her Majesty's late Government, is reported to have stated at Leeds that 'the expenditure of the Indian Government in 1840 was £22,000,000 sterling; and in 1878, £62,000,000 sterling.' Furthermore, that 'the taxation of India per head is now more than double what it was in 1840.' Now I am quite satisfied that, in making this extraordinary statement, Mr. Forster had no desire to misrepresent fact, or mislead opinion. But his statement is a startling illustration of the scant study given to the facts of Indian administration and history even by Cabinet Ministers when in office, and of the disturbing and obscuring influences under which those facts are studied by them when out of office. Since the year 1840 the following five great Provinces have been added to British India:—Sindh, the Panjáb, Oudh, and the greater part of British Burma, and the Central Provinces. This additional territory represents an area of about 350,000 square miles, and comprises a population of 42,000,000. The number of the population is nearly equal to, and the extent of the area is nearly double, that of the whole German Empire. It seems inconceivable that any man, especially an ex-Cabinet Minister, who has participated in the joint responsibility of Her Majesty's Government for the administration of Her Majesty's Indian possessions, should attempt to compare the expenditure of this Empire before and after such vast extensions of its territory and population, without any reference to their acquisition, or the least allowance for their financial consequences. That Mr. Forster should have done so, and done so in good faith, as I sincerely believe, is an illustration of the danger of forgetting Indian history in the hurried study of Indian finance, under the heavy pressure of party claims on the leisure or the labour of English politicians. Mr. Forster, however, did not stop here. He went on to say that the debt of India in 1840 was less than £30,000,000, and that now it is close upon £140,000,000. I am not personally concerned to defend the administration of India during the past forty years; but as every honest administration has a great public interest in preventing the propagation of error, I must ask the Council to allow me to make a few observations upon this increase of our debt. The burden practically thrown upon any country by its debt must be measured by the annual charge for interest upon that debt. By no other means can the actual weight of it be correctly ascertained. Now, in the year 1840, the amount of the annual interest paid by India on her public debt was one and a half million sterling.

The estimates presented last week to this Council show that in 1880-81, our liabilities for interest on debt will amount to 5¾ millions. The analysis of this estimate, however, yields very remarkable, and I venture to think very satisfactory, results. Of the 5¾ millions at which we estimate the present amount of interest payable on our public debt, 1¾ millions is on account of productive public works; and this sum will be completely covered by the revenue derived from the works on account of which that portion of our debt has been incurred. The actual amount of our liabilities for the repayment of debt is thus reduced to four millions sterling; that is to say, since the year 1840 the necessary annual provision for interest upon debt has been increased to the extent of two and a half millions. Now, I must ask the Council to remember that, during the last forty years, the Government of India has had to meet the cost of the Afghán wars carried on under the administrations of Lord Auckland and Lord Ellenborough, the cost of the Sindh war, the cost of the two Sikh wars, the cost of the second Burmese war, the cost of the suppression of the mutiny in 1857, the cost, thus far, of renewed hostilities in Afghánistan, the cost of several severe famines, and, lastly, the heavy losses incurred by the fall in our exchanges during recent years. Furthermore, that the Government of India during this period has been compelled, in the highest interests of the country, to construct numerous and costly public works which are not of a productive character; such, for instance, as barracks, forts, jails, military roads, civil buildings, and the like. Now, in explanation of the causes of this expenditure, and as an illustration of its results, I shall ask the Council to allow me to read a few passages from a memorandum communicated a few years ago to a Committee of the House of Commons by my Hon'ble friend and colleague Sir John Strachey. Speaking of the condition of India between thirty and forty years ago, he then wrote:—

"'It is not too much to say that there was then, comparatively speaking, little in India of what we now think the first necessities of a civilized Administration. When I went from Calcutta to my first station in the North-Western Provinces, I was carried about a thousand miles in a box on men's shoulders; there were no other means of travelling through the richest and most advanced and most important parts of India. Speaking broadly, roads and bridges had but begun to appear; there were no canals to save the people from destruction by famine, or those that existed were on a very small scale; there were few barracks in which English soldiers could live with tolerable health and comfort; there were few jails in which a sentence of imprisonment did not carry with it a serious probability that it would prove a sentence of death. The country at that time was entering on a phase of rapid change. The firm establishment of order was followed by improvements in all directions.

"'Ten thousand things were demanded which India had not got, but which it was felt must be provided. The country must be covered with railways and telegraphs, and roads and bridges. Canals must be made to preserve the people from starvation. Barracks must be built and every sort of sanitary arrangement be carried out.

"'This was not only true in regard to matters of imperial concern. Demands for improvement, similar to those which fell upon the Central Government, cropped up in every city and in every district of the country.

"'Twelve or fifteen years ago, in Calcutta, there was no drainage. The filth of the city rotted away in the midst of the population in horrible pestilential ditches, or was thrown into the river, there to float backwards and forwards with every change of tide. To nine-tenths of the inhabitants clean water was unknown. They drank either the filthy water of the river, polluted with every conceivable abomination, or the still filthier contents of the shallow tanks. The river, which was the main source of supply to thousands of people, was not only the receptacle for ordinary filth,—it was the great graveyard of the city. I forget how many thousand corpses were thrown into it every year. I forget how many hundred corpses were thrown into it from the Government hospitals and jails alone, for these practices were by no means confined to the poor and ignorant; they were followed or allowed, as a matter of course, by the officers of the Government and of the municipality. I wish the Committee could have seen the sights which were to be seen in Calcutta in those days in the hospitals, and jails, and markets, and slaughter-houses, and public streets. The place was declared by myself in official reports which I sent to the Government, when Sanitary Commissioner in the year 1864, of which the language, although strong, was not, and could not be, stronger than the truth required, to be hardly fit for civilized men to live in.

"'Only about a year ago, in the great city of Rangoon, containing more than 100,000 people, with half a million tons of shipping, there was not a single public lamp, no supply of wholesome water, not a single drain except the surface-drains at the sides of the streets, and no proper means of removing the night-soil and filth out of the town.

"'When I say that, to a great extent, the requirements of civilised life and of modern administration have had to be provided for India, for the first time, within the space of a few years, I do not speak only of material objects, of roads and railways, and canals, and barracks and city improvements, and so forth. The demand for improved administration has been so strong that it is not too much to say that the whole of the public services have been reorganised."

"Well, I venture to think that, if all these facts are fairly and impartially taken into account, the surprisingly small addition of two and a half millions to our annual liabilities, on account of debt, since the year 1840, cannot be reasonably regarded as matter for severe reproach to the Government of India. Reproach! Why, good heavens! the debt of England was increased to the extent of no less than 121¼ millions sterling by the American war of the last century; and to the extent of 601½ millions by the war with France during those twenty-four years of unavoidable military expenditure which were closed by the peace of 1816; involving extra annual burdens on the country for the interest payable on its debt, amounting, in the first case, to five, and in the second case to 22¾, millions sterling. The present annual charge on account of India's public debt, exclusive of that portion of it which is covered by our Public Works revenue,

represents only one-sixteenth or seventeenth of our annual income; whilst the corresponding charge for which England is taxed, on account of *her* public debt, amounts to no less than one-third of her annual income.

"Mr. Forster, however, is not the only one of Her Majesty's late advisers who has recently turned his attention to the finances of India for the purpose of enlightening the constituencies of England, and with very remarkable results. In the month of November last, Mr. Gladstone addressed a large public meeting at Edinburgh, and on that occasion he is reported to have made the following statements:—'The expenditure of India,' he said, 'during our time (that is to say, during the time of the late Liberal Ministry) was £50,400,000 on the average; it was £49,200,000 for our last year in office, and I know it has now risen to £58,970,000 or very nearly £60,000,000.' Now, I do not know whence Mr. Gladstone obtained his figures. At any rate, they are not those recorded in our accounts. The last year of the Liberal Ministry was the year 1873-74. The total recorded ordinary expenditure of that year was £51,405,921. The last year for which the accounts had been closed at the time when Mr. Gladstone spoke was 1877-78. The expenditure in that year was £62,512,388. Thus, although Mr. Gladstone's figures do not agree with those recorded in the accounts of the Government of India, still no doubt the fact remains that an increase of eleven millions is shewn in the accounts of our expenditure. My Hon'ble colleague Sir John Strachey has already explained that of these eleven millions no less a sum than eight and a half millions is due to entries on both sides of the account under the heads of Railways, Provincial and Local Expenditure; and that, consequently, to that large extent the increase is purely nominal. There remains, then, an actual increase of two and a half millions; and this remaining increase is due to two causes, for which, I must be allowed to say, neither the Government of India, nor any English Ministry, can fairly be held responsible. These causes are famine, and the depreciation of silver in relation to gold. Famine-expenditure and loss by exchange amounted, in 1873-74, to £4,851,203. In 1877-78, they amounted to £6,999,152, constituting an increase of more than two millions sterling. I am, therefore, unable to find in the ascertained facts and verified figures of the two periods any foundation for the inference drawn by Mr. Gladstone from his comparison between them, namely, that the expenditure for which the present Ministry is responsible exceeds by ten millions sterling the amount of the expenditure incurred in India under the late Liberal Government. I have not, however, allowed myself to be hastily satisfied with this conclusion. Mr. Gladstone, speaking on questions of finance, whether Indian or English, speaks with the undoubted weight, and I must be allowed to add with the serious re-

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sponsibility, of an unrivalled authority on such questions. Not only my respect for the eminent position and splendid talents of that Right Hon'ble gentleman, whose high reputation must be precious even to his political opponents, but also, I will frankly add, my reliance on the fairness and generosity of his character, have induced me to examine with great care the facts and figures in dispute between us. And as these do not concern my personal reputation only, but also the interests of India and the character of her Government, I shall not be deterred from recording the result of that examination by the unavoidable invidiousness of presenting comparisons between the Government of India under my own administration, and under that of my distinguished predecessor, the Earl of Northbrook. I feel assured that the noble Earl will acquit me of any intention to disparage his great services and high character; and, indeed, I expect his sympathy in the distasteful task imposed upon me by his illustrious political leader. Lord Northbrook assumed charge of the Government of India on the 3rd of May, 1872; and he relinquished it on the 12th of April, 1876. Her Majesty's present Ministry came into office on the 22nd February, 1874. I have therefore taken, for the purpose of comparison, the actual expenditure of this country for each year from 1872-73 to 1878-79, and the estimates for the years 1879-80 and 1880-81; and I find that, excluding expenditure incurred on account of famine-relief and loss by exchange, two items obviously not under the control of any Indian administration, the total nett expenditure of the Government of India during the four years of Lord Northbrook's administration, that is to say, from 1872-73 to 1875-76, amounted to the sum of £146,940,546; and the total nett expenditure of the Government of India during the four years of my own administration, that is to say, from 1876-77 to 1879-80, has amounted to the sum of £147,469,508. It will thus be seen that the total nett expenditure during the last four years exceeds the total nett expenditure of the four preceding years by only £528,962, that is to say, little more on the average than £130,000 a year. And this excess is much more than accounted for by the growth of our military expenditure, to which I shall presently advert. For the estimates of the year 1880-81, I take no credit. My noble friend the Earl of Northbrook will, I feel sure, be just as little surprised as I am myself at the proof furnished by the figures I have mentioned, that the accession of a new Viceroy cannot practically impart any immediate impulse to the ponderous wheels of the administration of this great Empire, even should that impulse assume the acceptable and unwonted form of an access of extravagance. Speaking for myself, I will only say that, though duly conscious of this obvious fact, I was not prepared to find, from any comparison of the last eight years, so satisfactory an illustration of the steadiness of our financial administration as a whole. It gratifies me, and I trust it will

equally gratify the Right Hon'ble gentleman who has afforded me the opportunity of recording these facts, to find in them proof so conclusive, and so reassuring, that the good administration of the finances of India is not dependent on the political opinions of Her Majesty's Government for the time being. Doubtless the Right Hon'ble gentleman was misled by that change in the form of our accounts which Sir John Strachey has already explained. The only other point to which I need further refer in connection with the Right Hon'ble gentleman's remarks at Edinburgh is the increase in our military expenditure. That increase is unquestionable, and by no one is it more regretted than by me. It began under Lord Northbrook's administration. The estimates for 1876-77, prepared by that noble Earl before his departure from India, provided for a nett expenditure upon the army of £15,101,000. The actual nett expenditure, however, turned out to be only £14,866,639; which was, nevertheless, an increase of £603,791 over that of the previous year. This increased expenditure has, since then, been somewhat further, though not largely, augmented by the high prices due to famine. In the present year, the charge for it is £15,487,000, and for the coming year, it is estimated at £15,330,000, thus barely exceeding the actual nett charge in 1869-70. No one knows better or appreciates more highly than I do the constant personal attention devoted by the Earl of Northbrook to the reduction of military expenditure: and, without now troubling the Council with any detailed explanation of its increase in the estimates framed by the Government of the noble Earl, I can confidently assert, that those causes were beyond the control of the Government of India.

"Mr. Gladstone, however, in a recent pamphlet has recapitulated and specified his accusations against our Financial administration. I quote them in his own words—'I have alleged,' he says, 'as follows:'—

"'1. That if for a few years more—say through a new Parliament, for which the Ministry are inviting a renewal of their power—the finance of India is to be handled as it is now handled, the people of this country will probably have to undertake, themselves, the charges of Indian Government, and the 134 millions of the Indian debt.

"'2. That to match the deficit of six millions for this country, the Ministry already show another deficit of (about) six millions for India.

"'3. That at a time when, owing to whatever cause, there had been a vast increase in the expenditure of India, and its finance was most critical, the Ministry chose that time for a policy both of dishonour and of wanton and destructive war in Afghánistan.

"'4. That having created by severe taxation a fund of famine-insurance (one million and a half), with the most definite and solemn pledges to the people of India as to the exclusive application of it to the relief of famine, they have diverted the great bulk of it to the prosecution

of this destructive war, and have applied £200,000 or more to the remission of duties upon imports.

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"'6. That there is now a widespread belief that the real cost of the Afghán war has not been made known to the country; among other things, that stores and *materiél* have been largely consumed and not replaced; and that I mentioned the allegation in order that it might be contradicted from authority.'

"Well, the Right Hon'ble gentleman's first sinister prediction has been, I trust, sufficiently refuted by the Statement to which we listened last Tuesday, and I cordially re-echo Sir John Strachey's repudiation of any desire on the part of this Government to throw the burdens of India, or of India's administration, on the people of England. The question whether India or England should pay the expenses of the present Afghán war must be considered in connection with the far wider question whether the British rule is or is not beneficial to India. If England is ruling India for the advantage of British interests only, and without any reference to India's own welfare, then unquestionably England alone should pay for the protection of her Indian possessions. But, if the British rule is maintained with due regard to the interests of India, and if that rule is presumably more advantageous to India than any other rule which could be substituted for it, then India, if she has the means, should assuredly bear all the charges which are requisite for her maintenance and preservation as a great State, including the cost of wars for the security of her frontiers. To distinguish between paying for the maintenance of an army and paying for the employment of that army in the performance of the duties for which it is maintained is not only unreasonable but impossible. It is the frontiers of India, not the shores of England, that have been threatened by the advance of Russia and the hostility or treachery of the two last Amírs of Cabul. It is for the safety of India's Provinces, not for the defence of the British Isles, that war is being waged. My Hon'ble colleague has pointed out that circumstances might conceivably occur, in which India would, perhaps, be required to take up arms for a cause in which she had no special interest of her own; and that, in such cases, England would be rightly liable for the cost of India's armed co-operation. But, in a war undertaken solely for the security of India's own frontier, no one can justly affirm that the interests involved are exclusively English, or that they are not directly and materially Indian. This, at least, can only be affirmed with any show of reason on the assumption that the downfall of the British power in India would be either beneficial or immaterial to India. All argument as to the justice or expediency of the war, and all remarks about the people of India having had no voice in it, are absolutely and obviously beside this question. The acts of a Government are the acts of

the State, whether the administration of that State be republican, monarchical, absolute, national or alien. Those who affirm that India should not pay the expenses of the Afghán war, because that war was the unjustifiable act of a wicked Government, or because her people have had no voice in the matter, might as reasonably urge that the people of France should not pay the cost of the Franco-German war, because the Government of France unjustifiably attacked Germany; or that the people of Russia should not pay the expenses of the war lately waged by their Government against the Sultán of Turkey, because Russia is ruled by an absolute sovereign, and her tax-payers have no voice in the conduct of his policy. It is, I trust, scarcely necessary to point out that, if England profits by her association with India, India also profits by it, at the very least, to an equal extent. That association gives both England and India a nobler place among the nations of the world than either of them could separately hold; but, so far as regards the purely domestic and material advantages of their union, it is assuredly India that is the greater gainer by it. Her peace at home and security abroad are guaranteed by it. And what constitutes this guarantee? It is not the comparatively small garrison of British and Native troops maintained in India—a force which, in proportion to the population, is less than the force maintained for similar purposes by any known State,—it is the vast reserve of military power and appliances of all sorts, war-material, arms of precision, &c., which India owes to her connection with England. And if we regard from a purely monetary point of view the benefits which this connection confers upon India, be it remembered that India is at this moment reaping in peace and security (for the development of her steadily expanding resources and the satisfaction of her growing commercial requirements) all the advantages derived from many thousand miles of railway, which, under any Asiatic Government—such, for instance, as that of Persia or China, or the old Mogul Power—she would have either gone without altogether, or obtained only by paying for them the ruinous rates of interest at which alone Asiatic Governments can raise money. The only ground, therefore, on which India could ask England to pay the expenses of the Afghán war would, I repeat it, be the ground of charity. Her position would be that of a poor country appealing to a wealthy one for eleemosynary aid in dire distress. I can imagine nothing more unjustly humiliating to India; nothing more degrading to the dignity of her Princes, more corrupting to the character of her people, more destructive, as my Hon'ble colleague rightly pointed out, to all ideas of self-reliance or self-respect. Nor can I imagine anything more certain, in the end, to subject India to incessant English interference of the most vexatious and mischievous character. She would soon become a *corpus vile* for the ruthless experiments of administrative quacks, or an arena for the reckless antagonisms of political parties. No, the

suggestion to transfer to the English tax-payer the burden of this Indian war, however admirable may have been the motives in which it originated, has, I am convinced, been used insidiously by many whose real object is, not to relieve Her Majesty's Indian subjects, but to embarrass Her Majesty's English Government.

"The deficit of six millions assigned to us by Mr. Gladstone is a purely imaginary deficit. It is, I am aware, maintained by some persons that our expenditure on productive works should be charged against revenue, and that if it were so charged, our finances would be in a constant condition of deficit. I regard this proposition as unreasonable, and I think that the calculations on which preceding Governments (including that of Mr. Gladstone himself) founded their decision that the Government of India could safely and advantageously borrow a certain sum annually for the construction of *bonâ fide* productive works were thoroughly sound calculations. I am not, indeed, prepared to deny that the exclusion of expenditure on productive works from ordinary charges was, at first, extended to some works which ought not to have been constructed out of borrowed funds. But I can truly say that the present Government of India, and the present Government of Her Majesty, have strenuously endeavoured to maintain the principle we approve, by including in our charges against revenue every public work which cannot, with confidence, be expected to pay both its working expenses and the interest on the capital invested in its construction. Reference to the Abstract No. II attached to my Hon'ble colleague's Financial Statement will show that, whilst the interest and working expenses on productive public works amount in the regular estimates for 1879-80 to the sum of £8,676,000, the revenue derived from those works is £8,090,000, whilst for next year we estimate that revenue at an amount which will exceed the expenditure on these works by £313,000. Thus, no permanent burden is thrown upon the tax-payers of India on account of public works constructed for the development of her resources; and the exclusion of the capital-expenditure on their construction from charges against revenue has been, I think, fully justified. My own confident expectation is that, not only will these works involve no permanent burden on the Indian tax-payer, but that they will also yield, ere long, a surplus-revenue, which may facilitate the further reduction of taxation. Fairly excluding, therefore, this expenditure from charges against revenue the result is—that after meeting all extraordinary charges for war, inclusive of frontier-railways, to the amount of £9,250,000, extraordinary charges for famine amounting to £14,607,000, and loss of revenue from famine amounting to £3,000,000, that is to say, after meeting extraordinary claims upon it to the total amount of

£26,857,000, our revenue for the ten years ending 1880-81 will have been only £967,000 less than our expenditure, as shewn in Sir John Strachey's Financial Statement. But, if we exclude from the account this extraordinary expenditure on account of war and famine, including loss of revenue from famine, it will be seen that we should have had a surplus-revenue, of £25,890,000, while, again, if we exclude loss by exchange, that surplus would have been swollen to no less a sum than £43,165,200, that is to say, more than £4,000,000 a year.

"Now, I am not here concerned with the wisdom or the wickedness of the steps taken by this Government, in consequence of the hostile alliance formed by the Court of Cabul with the Russian Power. Nor will I discuss the question whether it was practically in our power to choose our own time and opportunity for hostilities forced upon us by the Amír's rejection, first, of our Mission, and then, of our ultimatum; but I think I have shown that, in any case, the war in Afghánistan was not deliberately undertaken at a time when our expenditure had largely increased, or when our finances were in a most critical condition.

"Mr. Gladstone's allegation that the additional revenue created by severe taxation has been diverted from the purpose to which we had solemnly pledged ourselves to apply it in all circumstances exclusively, is founded on a misconception which has, I grieve to say, been so general that, much as I may regret, I cannot certainly resent, the ready credence given to this charge by that Right Hon'ble gentleman. The copious explanations contained in the Financial Statement made to this Council last Tuesday were not before Mr. Gladstone when he re-echoed this indictment against us. I can only now repeat that, even previous to the reductions which have been made in it, the taxation referred to by Mr. Gladstone was not, in my opinion, severe. But that it is now severe, it seems to me impossible for any one to assert with seriousness. Those who object to all direct taxation may reasonably object to these taxes on that ground, and others may object to them on the ground that they are unscientific or illogical; but I am unable to perceive how any man can fairly object to them on the ground that they are severe. As regards the alleged diversion of our famine-surplus from the purpose for which it was raised, I think that my financial colleague has sufficiently shown that there has been no such diversion of it. The Government of India, when defining that purpose, distinctly repudiated any intention of regarding, or treating, the proceeds of famine-taxation as a separate fund, or a branch of the revenue in any wise differing, as regards the financial conditions of it, from the funds required for the administration of justice, the maintenance of military establishments, the provision of public education, or any other recognised permanent claims upon the revenues of the

State. It is true, indeed, that the construction of certain kinds of preventive works indicated by me in the speech referred to last Tuesday by my Hon'ble colleague Sir John Strachey, has been checked,—I trust not permanently checked—by orders from the Secretary of State to which I will hereafter more fully refer. But I maintain that there has been no breach of faith in our employment of the revenue raised either from the land-cesses or from the license-tax; no diversion of this revenue to any purpose other than that to which the Government was pledged to apply it; and no failure, financially speaking, in the complete accomplishment of the object for which these taxes were imposed.

"And now I come to Mr. Gladstone's last allegation. It is that we have deliberately falsified our military accounts, in order to conceal the real cost of the Afghán war. Now, I need not remind this Council that the Government of India is not a party Government. I hope it will never become a party Government, and in the interests of this country I cannot too strongly deprecate attempts to treat Indian questions as party-questions. But, even with every allowance for the invariable, and doubtless unavoidable, exaggeration of party-oratory addressed to large popular audiences, I must really express my astonishment that a Statesman whom we all know to be himself incapable of deliberately sanctioning or abetting financial dishonesty, should have stooped to pick up, and fling, such a charge against the Government of India. Had that Right Hon'ble gentleman been the object, instead of the exponent, of it, I should not, for my own part, have hesitated to denounce it as an incredible calumny. When Mr. Gladstone endorsed this allegation, he must have been aware that it was not then in the power of the Government of India to show on its accounts the actual and yet unascertained cost of its military operations. Our estimates, so far as it has hitherto been possible to verify them, have proved to be remarkably accurate; and for this we are greatly indebted to our able Accountant General in the Military Department,—Major Newmarch. One fact, however, these estimates already place beyond question. So far from seeking to conceal the real cost of the Afghán war, we have not only included in our military accounts all stores, and *materiél*, the amount and value of which it has been possible to ascertain, but we have also, under orders from the Secretary of State, actually charged as war-expenditure the cost of frontier-railroads, lines of telegraph, postal communications and other similar items of expenditure, much of which we had contemplated in times of peace and should probably have been in any case obliged to incur at no distant date,—expenditure which will, I trust, be of permanent benefit to the country.

"So much for these accusations. The facts and figures which illustrate the

comparative financial position of India at different periods are open to any one who will take the trouble to examine them. My Hon'ble colleague was fully justified in the observation he made last Tuesday, that few countries now publish such full and accurate accounts as India. Not only do our abstract-statements of account contain an unusual amount of financial information, but they are also accompanied by elaborate and detailed explanations of the more important variations in every item of revenue or expenditure, together with a mass of other statistical information bearing on the finances of the country. In point of fact, what is, I believe, most commonly complained of in our financial accounts, is that they contain more information than the public cares to receive. I am far from saying, however, that a perfectly correct comparison of our financial position, during different periods, and under different administrations, is an easy task. On the contrary, I believe, that in such comparisons absolute accuracy and completeness are rendered almost impossible by the nature of the case. A mercantile company or firm, for instance, or any owners of property involving the annual receipt and disbursement of money, when desirous of comparing their present with their previous position at any particular period, would take account, not only of their incomings and outgoings, but also of the amount and quality of their stock, in other words, the present value of their property at such particular periods; and this they would include in the comparison. Now, a great Empire cannot take stock like a private firm; yet, without such a comparative valuation of the national stock at different periods, it is impossible to form any correct idea of the comparative wealth of this Empire during those periods. To estimate correctly our present financial position as compared with that of ten, twenty or forty years ago, it would be necessary to ascertain the comparative value now, and then, of that splendid property which we call the Indian Empire. Every railway, every canal, every road, every telegraph, every military work for the protection, and every civil building for the better administration, of the country is an asset of this great national property. Were it possible to make the comparison thus completely and correctly, the Government of India would assuredly have no reason to shrink from it. The increase during the last thirty years, in the value of India as a State property, is incalculably great; and it could not have been effected without the investment of public money either derived from the revenues of the State or borrowed or guaranteed by Government for the purpose. In this respect, India differs essentially from every other country possessing a civilised Government, and it is this feature peculiar to her administration which is so frequently ignored by the superficial critics of Indian finance; yet, without the most careful recognition of it, Indian finance is unintelligible. Where will you find any parallel to the case of a Government which, in the shape of a rent-

charge, rather than a tax, receives more than twenty millions as its share in the produce of the land; nine millions of revenue from public works constructed at its own cost, and ten millions from the monopoly of one of the great staples of the country; a Government which is therefore called on to expend annually vast sums of money on the direct improvement of the land and its resources, and to undertake, as public services, expenses usually provided in all other civilized countries out of private funds.

"Now, in the course of these remarks, I have said more than once that, before concluding them, I should take occasion to refer to that programme for the rapid and uninterrupted prosecution of works specially designed for the mitigation or prevention of famine, which I explained to this Council in connection with the Financial Statement of 1876-77, and to which reference was made last Tuesday by my Hon'ble colleague Sir John Strachey. It was certainly my hope that, by this time, I should have been enabled to announce considerable progress made in the prosecution of that programme, with the assistance of the Provincial Governments on whose intelligent co-operation its successful completion must always be dependent. It is with great and deep regret that I acknowledge the disappointment of that hope, but its disappointment is not due to any change in the public works policy of the Government of India, or to any want of sympathetic co-operation from the Provincial Governments in what I still regard as an undertaking of the highest and most pressing importance. It has been caused by orders from the Secretary of State; which, in any case, it would have been our duty to obey, but which, in the present case, have been rendered doubly binding on our obedience by the fact that they are in accordance with the conclusions arrived at by the Committee of the House of Commons lately appointed to enquire into the subject of Indian Public Works. The Secretary of State has largely reduced our authorized expenditure on productive works, coupling that decision with very stringent conditions as to the character of the works which this Government is allowed to construct by means of borrowed capital,—conditions which exclude from that category a great number of the preventive works I conceive to be most requisite as insurances against famine. I do not think the Government of India can fairly complain of these restrictions on its public works expenditure, *provided* they are temporary *only*, and conditional on annual revisions of the financial resources, as compared with the agricultural requirements, of the country. I trust that they will not be permanent; for I regard public works, if well selected and constructed in accordance with sound financial conditions, as the greatest national benefit which British rule can bestow upon India. But for the present, at any rate, these temporary restrictions have at least facilitated the improved organization

of our public works expenditure, and the reduction, not a day too soon, of our overgrown public works establishments. Nor, in spite of these restrictions, has the preparation of our programme of preventive works been abandoned. Projects for the construction of light cheap railroads have been, and are being, prepared. Some of these railroads are already commenced. Others have been surveyed and estimated; and we shall continue our preparations for an extended scheme of cheap railway-communication, so that it may be ready for execution whenever we are in a position to undertake it with the sanction of the Secretary of State.

"I think that the Government of India may still record with satisfaction the results which, in these circumstances, it has already achieved. The country at present possesses 8,724 miles of railway, which by the end of next year will, we anticipate, be increased to 9,712 miles. It has been furnished with 17,971 miles of completed telegraphic communication, which will, next year, be increased to 19,108 miles; while the area directly served by artificial irrigation will then be not much less than ten millions of acres. For future years, we have under preparation a programme suited to our restricted expenditure, but capable of immediate expansion whenever the limit is enlarged. Up to the end of the year 1880-81, the capital-expenditure on railways, telegraphs and canals will have been as follows:—

"On railways, under the Government guarantee of a minimum rate of interest, £66,816,000 will have been spent. From what is called productive public works grants, we shall have spent £64,800,000; and this sum includes the purchase-money of the East Indian Railway. A sum of £4,651,000 will have been spent on railways from the ordinary annual revenues; and as regards telegraphs, we shall have spent upon these £4,792,000, also from ordinary revenues. Upon canals, £12,680,000 will have been spent from the productive works grant, £7,619,000 from ordinary revenues, and £1,000,000 of guaranteed capital, besides £600,000 lent to the Madras Irrigation and Canal Company. Thus, the total expenditure on these classes of productive works has been close upon £163,000,000 sterling. The burden on the tax-payers caused by this enormous expenditure is, as I have already shown, rapidly disappearing.

"The saving we expect to make by recent reductions in Public Works establishments, together with travelling allowances and other contingent charges, will amount to nearly half a million sterling per annum. I may here mention that the Central establishments of the Imperial Government have not been exempted from these reductions. The reductions effected in the Public Works Secretariat of the Government of India, and in the office of railway-

administration, is not far short of £7,500 in the pay of officers alone; whilst another £8,000 will be saved by not filling up the vacancy caused by the retirement of the Public Works Member of Council. To these amounts must be added the saving in contingencies which necessarily accompanies reduction of establishments. As a complement to the statistics of our nett expenditure presented to this Council by Sir John Strachey, I have requested Mr. Chapman to lay upon the table a statement of our nett revenue during the years 1868-69 to 1880-81. I will not now trouble the Council with all the details of that statement; but I may say that it shows in every branch of our revenue an elasticity not commonly attributed to the financial resources of this country. The only items in which there is any noticeable decrease are the assessed taxes, the inland sugar-duties, which we have abolished, and the customs-import-duties. The revenue from land has increased by one million; that from opium by about a million and three quarters; the excise on wines and spirits by nearly three quarters of a million; salt by nearly a million and a half; stamps by three quarters of a million. Altogether, the average nett revenue of the two years 1878-79 and 1879-80 exceeds by more than six and a half millions the average nett revenue of 1868-69 and 1869-70; and the average nett estimated revenue of the three years 1878-81 exceeds by more than five and three quarter millions the average nett revenue of the three years 1868-71. Nor does a detailed examination of this statement suggest any misgiving that this great improvement in our revenue is the result of oppressive taxation or a scourging fiscal system. Although there has been, since the year 1869-70, a great increase in the public revenues, it is undoubtedly due to a steady growth of national prosperity, largely resulting from improved administration, and healthfully exhibiting itself in the even expansion of all the great sources of income. It has not been caused by the imposition of new taxation. The salt-tax, no doubt, has been increased to some of our population, but it has been simultaneously reduced to an immeasurably greater number of that population; if provincial rates have been imposed, customs-duties have, on the other hand, been taken off, which yielded a larger revenue; and, in lieu of an income-tax, which in 1869-70 produced a million, and in the following year nearly two millions, sterling, we have now a license-tax, expected to produce next year only half a million.

"Now, when this Government is charged with having, in wanton and criminal disregard of the great interests committed to its care, insidiously sought occasion for that war which we first undertook, God knows, in reluctant recognition of its unavoidable necessity, and solely for the preservation of the splendid national heritage I have now endeavoured to describe,—a war of which the

renewal has been forced upon us by the flagrant violation of most solemn treaty-obligations, and the cruel massacre of our whole Mission at Cabul,—when, I say, this odious charge is made against our character as Englishmen, and our conduct as Indian administrators,—I am content to ask all those whose common sense is still unbiassed, to consider, first, the startling magnitude of the war-power and material which Sher 'Alí, as the world now knows, had long been accumulating and organising on our immediate border, at a time when we commanded not a single one of its mountain-passes; and then, to reflect on the ruinous condition of chronic panic and unrest, the intolerably increased burden of permanent military expenditure, which we should have bequeathed to India, if, when fully warned of her danger, we had left this great and growing war-machine planted on the very threshold of her Empire, not only at the uncontrolled command of a Prince avowedly hostile to her, but also under the established influence, and undisputed direction, of that despotic and aggressive military Power which has for years been steadily advancing to her gates.

"In the presence of His Excellency the Commander-in-Chief, whose personal organization, and constant supervision, of all its operations have so greatly contributed to the successful results, thus far, of a war which will soon, I trust, be satisfactorily finished, it would be presumptuous in me to make any comment on the military conduct of it. But I esteem it nothing less than an imperative, though it is also a congenial, duty, to take this, the earliest opportunity in my power, of vindicating, from the cruel aspersions lately cast on it, the high character of that fine soldier, and true gentleman, Sir Frederick Roberts. To all who have the privilege of being intimately acquainted with General Roberts, the marked humanity of his character is well known. The armed mission on which that officer went to Cabul was primarily, and essentially, one of stern retribution. He has been accused of indiscriminate severity in the discharge of the painful task imposed on him. The number of those who instigated the massacre of Sir Louis Cavagnari and his companions, we shall probably never know. The number of those who participated in that crime we cannot accurately estimate, but it may certainly be reckoned by hundreds. The total number of persons tried at Cabul, under the authority of General Roberts, for that crime, and on other charges, was 163. The total number of persons executed under his authority was 87. But it has been alleged that some of the persons thus executed were *bonâ fide* combatants, punished by General Roberts under a cruel and fictitious charge of rebellion, for no worse deed than the defence of their country. It is with great satisfaction that, on behalf of General Roberts and this Government, to which he has rendered a strict account of his proceedings, I deny the truth of that

allegation. The fact is, that no combatant, or non-combatant, has been put to death by General Roberts on any mere charge of rebellion, or for openly bearing arms against us; no man has suffered death under any charge not punishable with death by the ordinary practice of civilized warfare, or without the fullest trial compatible with the inevitable conditions of martial-law in a barbarous country under hostile occupation. General Roberts has explained that his reason for offering rewards for the apprehension of the men who fought against him at Charasiab, and who were declared by the Amír to be traitors to himself, was the knowledge that the assailants and murderers of the Embassy were to be found in their ranks. But not one of those men has been executed unless, and until, the Court which tried him was satisfied by the evidence before it that he had either participated in the attack on the Residency or committed some other crime to which the recognised usages of war apply the penalty of death. To rummage amongst the refuse of hearsay for every crooked pin, dropped there by the recklessness of rumour or the rancour of personal spite, and then to employ these ignoble little weapons in scarifying the character of men who are labouring to serve their country in conspicuous positions of constant anxiety and tremendous responsibility,—this, I must be allowed to say, is not merely cruel, it is essentially cowardly. Neither a swaggering patronage of the public conscience, nor ostentatious professions of a superior personal morality, never tested by the dread conditions of responsible public action, can mitigate or conceal—in my opinion they seriously aggravate,—all that is either frivolous or despicable in such conduct.

"I have but one word more to say about the Afghán war. It is with astonishment that I read, four days ago, the assertion reported to have been made in Parliament by a noble Duke, that the Government of India, or some of its members, had communicated to the Press confidential orders received on the subject of this war from the Secretary of State with the 'object of raising excitement in India,' and 'exciting the Indian Services against the decision of Her Majesty's Government;' and that I myself, with a similar object, had circulated in England 'an elaborate document recommending measures much more severe and violent than those approved of' by the Queen's responsible advisers; furthermore, that an article lately written by Sir Henry Rawlinson on the subject of the Afghán war, was written in communication with the Viceroy, as a manifesto on my behalf against Her Majesty's Ministers, whose policy it is my clear duty, as it is certainly my earnest desire, to carry out in this matter. Had I been guilty of any such conduct, I should, indeed, have been unworthy of the high office which I hope to transmit uninjured and unsullied to my successor. But, whilst giving to these incomprehensible asser-

tions the most unqualified contradiction on behalf of my colleagues and myself, I now declare that neither between the members of the Government of India, nor between this Government and Her Majesty's Ministers at home, is there any conflict of opinion or purpose respecting our relations with Afghánistán, or the prosecution and objects of the war imposed on us by the condition in which we found them. It has been, it is, and it will, I feel sure, continue to be, our unanimous desire and unceasing effort in loyal co-operation with each other, and complete concurrence with the Government of Her Majesty, to bring this unsought war to the earliest conclusion compatible with the honourable and secure attainment of the purely defensive objects for which it is being waged."

The Motion was put and agreed to.

The Hon'ble SIR JOHN STRACHEY then moved that the Bill as amended be passed.

The Motion was put and agreed to.

TRADE-MARKS BILL.

The Hon'ble MR. STOKES presented the Report of the Select Committee on the Bill to provide for the registration of Trade-marks.

FACTORIES BILL.

The Hon'ble MR. COLVIN presented the Report of the Select Committee on the Bill to regulate labour in Factories.

The Council adjourned to Friday, the 5th March, 1880.

D. FITZPATRICK,
Secretary to the Government of India,
Legislative Department.

CALCUTTA;
The 2nd March, 1880.

STATEMENTS.

NET REVENUE, EXCLUSIVE OF REVENUE FROM LOCAL FUNDS, 1868-69 TO 1880-81.

REVENUE.	1868-69.	1869-70.	1870-71.	1871-72.	1872-73.	1873-74.	1874-75.	1875-76.	1876-77.	1877-78.	1878-79.	1879-80.	1880-81.
	£	£	£	£	£	£	£	£	£	£	£	£	£
I & 4.—Land Revenue (omitting *Capitation Tax*) ...	18,874 666	20,168,629	19,786,268	19,723,595	20,470,162	20,135,231	20,398.821	20,554,230	18,952,185	19,148,307	21,547,798	21,379,600	21,149,100
I.—Capitation Tax	217,175	221,395	204,363	203,647	212,442	221,829	228,364	222,440	235,707	241,065	252,237	253,300	253,300
III & 5.—Forest	145,326	153,144	71,251	140,155	166,003	227,831	157,615	267,113	160,730	240,039	142,552	133,300	153,600
IV—VII & 6—9.—Excise including *Customs* duties on imported wines and spirits ...	2,261,696	2,274,908	2,322,414	2,468,611	2,451,975	2,457,621	2,541,655	2,718,464	2,759,838	2,713,810	2,886,715	3,017,000	3,002,500
V & 7.—Assessed Taxes ...	446,493	1,025,799	1,988,023	772,569	561,962	17,736	3,394	1,639	—63	81,457	837,309	731,600	500,600
VI & 8—Provincial Rates ...	...	...	...	...	...	...	...	...	...	234,847	433,200	494,900	563,600
VII.—Sugar duties (Inland) ...	131,359	134,719	151,040	196,835	160,092	171,527	151,720	154,888	159,537	124,752	...	...	...
VII & 9.—Customs duties on exports ...	552,172	435,938	587,209	634,443	735,779	669,483	618,374	680,331	559,368	517,644	573,168	591,300	592,600
VII & 9.—Customs duties on imports	1,461,470	1,312,818	1,374,867	1,276,721	1,248,332	1,270,230	1,365,298	1,324,195	1,174,767	1,352,179	1,125,787	1,007,300	981,600
VIII & 10.—Salt	5,176,427	5,462,016	5,685,259	5,455,690	5,642,895	5,646,059	5,735,262	5,702,218	5,785,707	5,878,417	6,503,054	6,948,500	7,138,400
IX & 11—Opium	6,731,295	6,130,845	6,031,034	7,657,187	6,870,415	6,323,395	6,214,782	6,252,026	6,280,781	6,521,337	7,699,061	8,398,400	7,241,900
X & 12.—Stamps	2,149,905	2,224,928	2,349,875	2,341,282	2,481,652	2,575,644	2,597,011	2,692,418	2,706,802	2,856,994	2,959,931	3,054,400	3,053,000
XI & 13.—Registration ...	38,772	57,722	40,310	46,032	58,248	56,811	53,217	48,664	36,797	60,527	105,600	100,000	99,000
XII & 14.—Mints	78,223	56,150	—32,859	11,830	—30,492	—9,685	27,928	2,863	128,253	311,776	68,300	150,000	85,000
TOTAL NET REVENUE ...	38 264,976	39,659.011	40,559,054	40,928,597	41,029,465	39,763,712	40,093,441	40.621,489	38,940,409	40,283,151	45,134,712	46,259,600	44,819,200
Deduct— *27.—Allowances and Assignments*	*1,778,358*	*1,863.615*	*1,756,973*	*1,724,510*	*1,749,890*	*1,856,700*	*1,738,368*	*1,713,724*	*1,672,543*	*1,646,093*	*1,826,484*	*1,900,000*	*1,846,000*
Less *II.—Tributes*	*687,363*	*765,126*	*719,421*	*744,036*	*741,465*	*768,544*	*724,972*	*726,188*	*694.934*	*675,120*	*703,660*	*714,000*	*698,000*
Net deductions ...	1,090,995	1,098,489	1,037,552	980,474	1,008,425	1,088,156	1,013,396	987,536	977,609	970.973	1,122,824	1.186,000	1,148,000
NET BRITISH INDIAN REVENUE	37,173,981	38,560,522	39,521,502	39,948,123	40,021,040	38,675,556	39,080,045	39,633,953	37,962,800	39,312,178	44,011,888	45,073,600	43,671,200

Comparative Analysis of the whole Net Expenditure 1868-69 to 1880-81. (The transactions of

	1868-69.	1869-70.	1870-71.	1871-72.	1872-73.
	£	£	£	£	£
4.—*Land Revenue* (except Surveys), Settlements and Charges of collection, which are treated as sets-off to *I. Land Revenue*	1,948,131	1,874,682	1,861,478	1,881,999	1,865,402
15 & XIII.—*Post Office*	—14,476	—23,215	—17,124	—132,365	137,[illegible]
17.—*Administration*	1,441,277	1,469,194	1,360,702	1,367,665	1,371,703
18 & XV.—*Minor Departments* ...	266,827	266,538	244,358	281,017	363,096
19 & XVI.— *Jails* and *Penal Settlements*...	447,457	496,601	562,766	440,973	483,748
19 & XVI.— Other charges under *Law and Justice*	1,511,574	1,681,632	1,773,481	1,860,816	1,778,126
20 & XVII.—*Police*...	2,190,743	2,138,925	2,005,925	2,028,724	2,030,588
21 & XVIII.—*Marine*	456,023	(c) 668,160	426,967	379,288	356,142
22 & XIX.—*Education*	533,438	553,613	563,461	551,228	558,175
23.—*Ecclesiastical*	163,590	161,083	153,544	157,928	156,540
24 & XX.—*Medical*	414,064	486,580	571,485	486,511	532,953
25 & XXI.—*Stationery and Printing* ...	331,265	296,960	387,978	280,690	287,894
26.—*Political*	352,831	418,087	354,294	315,410	390,816
30 & XXIV.—*Miscellaneous*	(a) 187,573	162,343	137,576	35,650	(e) 28,768
NET CIVIL EFFECTIVE CHARGES ...	10,230,317	10,651,183	10,386,891	9,935,534	10,341,699
1, 2 & XXII.—*Interest*	5,413,032	5,248,483	5,499,156	5,604,099	5,352,339
28.—*Civil Furlough* and *Absentee Allowances*	122,461	157,918	175,068	173,028	156,059
29 & XXIII.—*Superannuations.* (No credit taken for transfers from Military Funds)	(b) 1,057,922	(d) 994,158	1,121,964	1,102,103	1,241,653
NET CIVIL NON-EFFECTIVE CHARGES ...	6,593,415	6,400,559	6,796,188	6,879,230	6,750,051
37 & XXX.—*Loss by Exchange* ...	132,139	142,555	492,399	380,142	694,845
31.—*Famine*	...	73,619	...	...	...
FAMINE AND LOSS BY EXCHANGE	132,139	216,204	492,399	380,142	694,845
16 & XIV.—*Telegraphs*	410,597	296,266	260,037	222,234	233,747
32.—*Railways*—Expenditure ...	*4,331,965*	*4,485,720*	*4,503,074*	*4,671,201*	*4,869,757*
XXV.— *Do.* Revenue ...	*2,333,265*	*2,818,773*	*2,436,831*	*3,143,077*	*2,880,469*
Net *Railways* ...	1,998,700	1,666,947	2,066,243	1,528,124	1,989,288
33, 34.—*Irrigation and Navigation* and *Other Public Works.* Expenditure	*6,346,847*	*5,039,981*	*4,056,669*	*3,925,298*	*4,244,198*
XXVI & XXVII.—*Ditto* Revenue ...	*560,834*	*703,948*	*866,887*	*597,610*	*613,625*
Net *Irrigation and Navigation* and *Other Public Works* ...	5,786,013	4,336,033	3,189,782	3,327,688	3,630,573
NET EXPENDITURE ON PUBLIC WORKS, INCLUDING RAILWAYS, CANALS AND TELEGRAPHS ...	8,195,310	6,299,246	5,516,062	5,078,046	5,353,608
36 & XXIX.—*The Army*	15,136,593	15,250,779	15,119,302	14,733,692	14,596,802
GRAND TOTAL ...	**40,287,774**	**38,817,971**	**38,310,842**	**37,006,644**	**38,237,005**
GRAND TOTAL, EXCLUDING LOSS BY EXCHANGE AND FAMINE RELIEF	*40,155,635*	*38,601,767*	*37,818,443*	*36,626,502*	*37,542,160*

Exclusive of—
(a) a credit of 276,340*l.*—Securities confiscated in the mutiny.
(b) an arrear charge of 328,374*l.* for Military Fund Pensions.
(c) a special charge of 320,046*l.*, being certain debit balances of Marine Funds written off in the Bengal Accounts.
(d) 451,211*l.* balances of Police Superannuation Fund credited this year.
(e) 163,318*l.* awarded by the Privy Council to the representatives of the late D. O. Dyce Sombre.
* 341,516*l.* saved in 1874-75 and 108,484*l.* more in 1875-76 making 450,000

Local Funds, and the special items at foot are excluded, because they disturb the comparisons.

1873-74.	1874-75.	1875-76.	1876-77.	1877-78.	1878-79.	Regular Estimate, 1879-80.	Budget, 1880-81.
£	£	£	£	£	£	£	£
1,858,548	1,856,310	1,893,162	1,885,402	1,931,683	1,938,400	1,880,800	2,008,000
143,936	104,680	84,047	66,468	58,148	64,543	107,100	74,400
1,373,708	1,349,094	1,411,059	1,474,095	1,473,764	1,478,300	1,474,800	1,454,000
333,000	330,360	318,442	297,787	262,168	253,946	251,200	336,900
493,739	506,422	515,885	528,928	578,460	711,500	689,800	621,500
1,866,953	1,926,781	1,967,448	2,035,122	2,027,409	1,986,514	1,989,100	2,098,500
2,021,198	2,030,957	2,056,021	2,104,355	2,085,350	2,013,709	2,058,200	2,051,600
298,467	297,035	397,571	466,975	310,892	298,861	352,200	342,200
592,827	597,412	634,018	626,224	634,797	613,407	607,800	610,300
163,696	165,930	161,988	163,866	158,039	155,200	156,000	159,000
548,908	562,918	580,677	569,608	583,191	555,659	537,800	570,600
328,183	393,697	425,599	415,133	392,356	424,125	389,800	435,700
366,209	404,223	429,535	505,228	468,975	448,700	470,900	435,900
—7,503	16,774	521	—33,414	—1,490	53,789	71,000	56,700
10,381,869	10,542,593	10,876,043	11,105,777	10,963,742	10,996,653	11,036,500	11,255,300
5,338,460	4,869,632*	5,003,811	5,266,888	5,568,035	5,736,345	5,716,900	5,491,800
258,464	216,704	229,199	235,990	237,362	231,600	220,000	233,000
1,191,587	(f) 1,443,506	1,603,766	1,474,597	1,543,378	1,675,204	1,788,300	1,632,300
6,788,511	6,529,842	6,836,776	6,977,475	7,348,775	7,643,149	7,725,200	7,357,100
882,718	787,328	1,357,156	2,059,613	1,555,833	3,225,800	2,864,000	3,174,000
3,864,673	2,237,860	508,554	2,145,431	5,345,775	313,400	99,000	5,000
4,747,391	3,025,188	1,865,710	4,205,044	6,901,608	3,539,200	2,963,000	3,179,000
161,199	145,630	184,120	131,900	102,716	99,231	6,000	—19,000
4,937,061	*5,275,109*	*5,145,230*	*5,306,520*	*5,941,246*	*6,561,800*	(h) *6,987,000*	(h) *6,521,000*
3,656,335	*4,262,550*	*4,549,722*	*5,459,332*	*7,141,987*	*6,178,100*	*6,701,000*	*7,545,000*
1,270,726	1,012,559	595,508	—152,812	—1,200,741	383,700	286,000	—1,024,000
4,573,363	*3,941,947*	*4,679,930*	*4,065,105*	*4,031,644*	*4,206,600*	*4,220,700*	*4,155,800*
705,311	*637,389*	*646,089*	*718,544*	*866,681*	*1,235,600*	*1,251,900*	*1,229,900*
3,868,052	3,304,558	4,033,841	3,346,561	3,164,963	2,971,000	2,968,800	2,925,900
5,299,977	4,462,747	4,813,469	3,325,649	2,066,938	3,453,931	3,260,800	1,882,900
14,217,390	14,366,321	14,262,848	14,866,639	15,769,780	(g) 15,441,500	(i) 15,487,000	(k) 15,330,000
41,135,138	**38,946,691**	**38,654,846**	**40,480,584**	**43,050,843**	**41,074,433**	**40,472,500**	**39,004,300**
36,687,747	*35,921,503*	*36,789,136*	*36,275,540*	*36,149,235*	*37,535,233*	*37,509,500*	*35,825,300*

Exclusive of—
(f) 3,051,918*l.* the balance of the Civil Service Annuity Fund credited this year.
(g) 676,381*l.* Afghán War charges.
(h) 230,000*l.* spent, each year, on the Rawalpindi-Jhelum Line, treated as war charges.
(i) 4,656,000*l.* Afghán War charges.
(k) 4,139,000*l.* ditto ditto.
all, by the redemption of the Capital Stock of the East Indian Company.

Net Expenditure of British India during the first four years of the present Viceroyalty, compared with the Net Expenditure during the preceding four years. (Laid before the Legislative Council of India by order of His Excellency the Viceroy and Governor General.)

(NOTE.—The object being to make as fair a comparison as possible, expenditure on War, Famine and Loss by Exchange is eliminated throughout.)

YEAR.	Preceding Administration.	YEAR.	Present Administration.
	£		£
1872-73	37,542,160	1876-77	36,275,540
1873-74	36,687,747	1877-78	36,149,235
1874-75	35,921,503	1878-79	37,535,233
1875-76	36,789,136	1879-80	37,509,500
TOTAL ... £	146,940,546	TOTAL ... £	147,469,508

FORT WILLIAM,
DEPARTMENT OF FINANCE;
The 2nd March 1880.

R. B. CHAPMAN,
Secretary to the Govt. of India.

Government Central Press—No. 569 L. D.—12-3-80,—250.

Abstract of the Proceedings of the Council of the Governor General of India, assembled for the purpose of making Laws and Regulations under the provisions of the Act of Parliament 24 & 25 Vic., cap. 67.

The Council met at Government House on Friday, the 5th March, 1880.

PRESENT:

The Hon'ble Sir A. J. Arbuthnot, K.C.S.I., C.I.E., Senior Member of the Council of the Governor General of India, *presiding*.

The Hon'ble Sir J. Strachey, G.C.S.I., C.I.E.

General the Hon'ble Sir E. B. Johnson, R.A., K.C.B., C.I.E.

The Hon'ble Whitley Stokes, C.S.I., C.I.E.

The Hon'ble Rivers Thompson, C.S.I.

Major-General the Hon'ble A. Fraser, C.B., R.E.

The Hon'ble Sayyad Ahmad Khán Bahádur, C.S.I.

The Hon'ble T. C. Hope, C.S.I.

The Hon'ble B. W. Colvin.

The Hon'ble G. C. Paul, C.I.E.

The Hon'ble H. J. Reynolds.

MERCHANT SHIPPING BILL.

The Hon'ble MR. STOKES moved that the Report of the Select Committee on the Bill relating to Merchant Shipping be taken into consideration. He said that the Council would remember that the primary object of this somewhat heterogeneous, but, he hoped, useful Bill was to legislate in respect of unsafe and unseaworthy ships on the lines of the English Statute commonly called Plimsoll's Act; and he would now state shortly the principal modifications made by the Committee in the Bill.

The Committee had exempted from the operation of the chapter corresponding with Plimsoll's Act, vessels under 150 tons burthen engaged in the Native coasting-trade. It was urged that these vessels went to sea only in fair weather; for example, vessels of this class left the Madras ports when the south-west winds began, and did not return from Penang or Burma until the settled north-east breeze was blowing. "Thus," said the District Magistrate of Madura, "they incurred little risk, and lives were seldom lost from wrecks or foundering caused by unseaworthiness." To subject them to the stringent provisions of the Bill was unnecessary, and would probably have the effect of

stamping out the Native coasting-trade altogether. The Committee had been informed that the same considerations applied to the Native coasting-trade of the Bombay Presidency, and had ascertained that the Lieutenant-Governor of Bengal saw no objection to the proposed exemption. They had accordingly introduced, in section 3, a clause exempting coasting and fishing-vessels of less than 150 tons burthen from the operation of the chapter altogether.

As it was obviously desirable that there should be a certain harmony between our general and our special punitive laws, the Committee had reduced the penalty for sending or taking unseaworthy ships to sea (section 5) to six months' imprisonment and one thousand rupees fine, the penalty provided for similar offences by the Indian Penal Code, sections 280, 282.

They had, in the sections relating to deck and load-lines (33—43), fixed the responsibility entirely on the master, as, in a large proportion of the cases to which this portion of the Bill applied, the owner would be at too great a distance to exercise any effective control.

The Committee had, in accordance with a suggestion which he had made when the Bill was introduced, added to section 69 a proviso to enable the surveyors to Lloyd's Register and to the similar association called Bureau Veritas to discharge their duties as such without qualifying as ship-surveyors in the manner prescribed by the Bill; and he had given notice of an amendment which, if carried, would extend the operation of this proviso.

They had omitted chapters VII and VIII of the Bill as introduced, relating respectively to Port-inspectors and the Merchant Shipping Act of 1875, as they considered that the matters to which these chapters related would be more fitly dealt with in a Bill to consolidate Act IV of 1875 and the sections of Act XIII of 1878 by which it was amended. The Indian law of merchant shipping, scattered, as it would be when the present Bill was passed, through nine Indian Acts and ten or twelve British Statutes, was indeed, from the draftsman's point of view, in a most unsatisfactory condition; and anything that could be done to reduce the number of these enactments would be a boon, not only to the Courts and the legal profession, but to all merchants and sailors concerned in Indian commerce.

These were the chief modifications made in the Bill. The Council would see that the chapter on unsafe and unseaworthy ships was in the amended Bill, as it was in the Bill as introduced, restricted in its operation to British ships, although it had been urged on us from more than one quarter that it was chiefly in the case of ships owned by the subjects of foreign States in Asia that such a

law was required; that it was notorious that such ships were the most unseaworthy and unsafe that left Indian ports; that it was in them the greatest number of lives was lost; and that this chapter should accordingly be extended to them.

The suggestion was one which, in the opinion of the Committee, should not be lost sight of; but they were not prepared to deal with it in connection with the present Bill. They believed the only precedent for such legislation in regard to foreign ships was to be found in section 13 of the Merchant Shipping Act, 1876, and they were informed that, up to this moment, no attempt had been made to enforce that section. The Committee thought that, as it touched only the matter of overloading, it would not be sufficient to apply its provisions to the class of ships now referred to, the complaint regarding which was not so much that they were overloaded as that they were thoroughly rotten and insufficiently equipped.

It might be that, looking to the peculiar circumstances of the case, the Council would be warranted in legislating for some classes of foreign Asiatic ships frequenting Indian ports to an extent to which it was not usual to legislate for foreign ships in England; but the Committee were unable to judge from the papers before them whether they should or not. To enable them to form an opinion on this point, it would be necessary for them to have the fullest information as to the description of the various classes of ships in question, the sources from which their crews were drawn, the particular trade in which they were engaged, the States to which they belonged, and the nature of their relations with those States. To call for such information now would unduly delay the passing of the urgent measure before the Council, and the Committee accordingly recommended that the question of these foreign vessels be reserved for separate treatment.

The Motion was put and agreed to.

The Hon'ble Mr. Stokes moved that the following words be added to the title of the amended Bill, (namely) :—

"and for other purposes."

He said, the object of this amendment was to make the title correspond more accurately with the subject-matter of the Bill, which would not relate merely to Merchant Shipping, if, as he anticipated, his amendment relating to assessors in admiralty-cases were carried.

The Motion was put and agreed to.

The Hon'ble MR. STOKES also moved that the following words be added to section 69, (namely) :—

"or apply to any person specially exempted by the Local Government from the operation of this section."

Chapter IV of the Bill, section 68, enabled the Local Government to appoint competent persons for the purpose of examining persons desirous of practising the profession of a ship-surveyor, and to make rules for the conduct of such examinations, and the qualifications to be required, and for the grant of certificates to qualified persons, and section 69 declared that no person should, in any port in which there was a person exercising the profession of a ship-surveyor, and holding such a certificate, exercise such profession in such port unless he also held a certificate granted under section 68. The object of the chapter was two-fold; first, by creating a monopoly in favour of persons who had passed examinations, to induce them to go to small ports in which there were no ship-surveyors at present; and, secondly, to amend the present system of ship-surveying as practised in Calcutta by subjecting to some control men on whose professional skill, and on the care with which they exercised it, the safety of valuable property and still more valuable life so greatly depended. The desirability of making such amendment had been recognised not only in India but in England, owing to the startling statements made in the last report of the Registrar of Wrecks. He had not yet seen this report; but the *Pall Mall Budget*, for February 6, 1880, after remarking that the last return of wrecks and casualties in Indian waters seemed to shew that there was need of a Plimsoll in this country, quoted the report and proceeded—

"The *Coda Bux*, with fifty souls on board, left False Point for Madras in May, 1877, and has not since been heard of, though there was no very bad weather at the time. One surveyor refused her a certificate on any terms, yet two other experts were found who passed her as seaworthy. The *Wild Rose*, which left the Hugli in June, 1878, has, so we learn from the same report, 'a reputation so bad that a crew can scarcely be got to sail her, and she has been the cause of more unfortunate seamen being sent to gaol than almost any vessel afloat.' Notwithstanding all this, and that she had some time previously put back to Adelaide in a leaky condition after having been a month at sea, though only in ballast trim, and that no repairs were executed in Calcutta, surveyors were found willing to pronounce her a good vessel. The cause of this state of things is not far to seek; for the Registrar adds that 'the present system of ship-surveying, as practised in Calcutta, offers a premium to dishonesty, inasmuch as a man who does his duty strictly and understands it may almost starve, whilst dishonourable competition makes a rapid fortune.'"

MR. STOKES did not endorse the truth of that statement, as he had not enquired into the facts of the two cases just mentioned; but he believed the Council would admit that a *primâ facie* case was established in favour of legislating in the way proposed.

Since the Select Committee's report was signed, the Government of India had received, through the Secretary of State, letters not only from Lloyds, but from the General Shipowners Society, objecting that the application to their employés of the provisions as to ship-surveyors was not needed and might cause inconvenience and hardship. The Committee had already exempted persons employed by Lloyds or Bureau Veritas from the provisions of the Bill requiring examinations and certificates. The General Shipowners Society, however, pressed for further exemption. They said,

"the shipowners of this country are supremely interested in this proposal of the India Government, seeing the immense value of the property which is now engaged in loading to the Indian ports. If your Lordship will reflect for one moment on the value of one canal-steamer and on the amount at risk on ship and cargo when any accident happens to such a ship, it will be no surprise to learn that, in such circumstances, it is not an uncommon thing to send experts possessing the confidence of both shipowner and merchant to India from this country for the special purpose of surveying and directing repairs. The very best men who can be found are invariably sent, and if this Bill becomes law, no such surveyor can commence his duties until he has passed an examination by Indian officials, of whom those interested know nothing, and who themselves would never be employed for surveying purposes in preference to the man whom they have by law to examine."

Now it seemed to him that a gentleman sent out to survey and direct repairs of a single specified ship, and making that survey and directing those repairs in an Indian port, could hardly be said to "exercise the profession" of a ship-surveyor within the meaning of our section. Nevertheless, to preclude all possible chance of hardship to competent persons, he proposed that the Council should empower the Local Governments to exempt specially any person from the operation of section 69; and he had no doubt that each of the four Local Governments concerned would readily exercise this power whenever it was applied to, by, or on behalf of, any person sent out by the General Shipowners or any other respectable society. The power might also be exercised in favour of any person of skill, experience and character now practising as a ship-surveyor in Calcutta or any other British Indian port.

The Motion was put and agreed to.

The Hon'ble Mr. Stokes also moved that, for the title to chapter VII of the amended Bill, the word "Miscellaneous" be substituted. He said, that the adoption of this amendment would depend upon the adoption of the next amendment which he would propose, and which he had reason to believe the Council would accept.

The Motion was put and agreed to.

The Hon'ble Mr. Stokes also moved that the following section be added to the Bill, (namely) :—

Assessors in causes of salvage, &c.

"85. And whereas it is also expedient to provide for the assistance of assessors in certain causes in Courts exercising Admiralty or Vice-Admiralty jurisdiction; it is hereby further enacted as follows :—

"In any Admiralty or Vice-Admiralty cause of salvage, towage or collision, the Court, whether it be exercising its original or its appellate jurisdiction, may if it think fit, and upon request of either party to such cause shall, summon to its assistance, in such manner as the Court may by rule, from time to time, direct, two competent assessors; and such assessors shall attend and assist accordingly.

"Every such assessor shall receive such fees for his attendance as the Court by rule prescribes. Such fees shall be paid by such of the parties as the Court in each case may direct."

The reason for making this amendment was known not only to the Committee but to the Council. It was suggested by a case recently heard by Mr. Justice White, who was kind enough to send him a letter which had been printed as paper No. 12 and circulated to Hon'ble Members. The learned Judge said, that he thought it was very desirable that the Court should have the assistance of nautical assessors as the Courts in admiralty-cases had in England, and then he went on to say—

"It is very unsatisfactory to the public and very perplexing to the Judge that causes of collision should be tried, as they now are in our Court, by a single Judge sitting alone. I experienced the difficulty very recently in the case of *The Ava* v. *The Brenhilda*."

The Hon'ble and learned Advocate General had also favoured the Council with a note which was printed as paper No. 11, in which, referring to that very case, he said the presiding Judge expressed a desire to have the assistance of a nautical assessor.

"There being no provision in the existing law for the appointment of an assessor, it was proposed to nominate one by consent; but the parties not having been able to agree to the selection of an assessor, the learned Judge was obliged to hear the admiralty-cause without the required assistance. In having to call and examine a great many skilled witnesses as experts, the parties were necessarily put to great expense, and the Court lost much time in recording their examination. Such expense and inconvenience would have been avoided, either altogether or to a great extent, had the cause been tried by the Judge and an assessor."

Therefore, his Hon'ble and learned friend proposed that a clause be added to this Bill providing for assessors in cases of salvage, towage and collision. The majority of the Committee, however, thought that such a clause would

not be appropriate in a Bill relating merely to Merchant Shipping, and that, as the matter did not appear to be pressing, it would be better to put it into the Code of Civil Procedure when next that Code was amended. But since the Report of the Committee was presented, he learned from the Advocate General that the matter was really a pressing one, and MR. STOKES had accordingly framed the section for the insertion of which he now moved.

The Hon'ble MR. PAUL observed that, in his opinion, the section which was proposed was essential for the due administration of justice, and he should be glad if the Council accepted its introduction. He had already expressed in a short letter his reasons for urging on the legislature the necessity of introducing such a clause. The reasons for its insertion in the Bill were so very obvious, that he did not think it necessary to take up the time of the Council. The power was absolutely required for the proper trial of admiralty-cases. It would doubtless be more appropriate to insert such a provision in the Code of Civil Procedure, but he thought it would be detrimental to the interests of justice to wait until the time arrived for the further amendment of the Code of Civil Procedure; he had therefore suggested that the present section be introduced in the Bill. If, for the sake of uniformity, it be necessary to incorporate this section hereafter in the Code of Civil Procedure, that of course could be done.

The Hon'ble MR. STOKES said that, before the question was put, he thought it right to mention that the Secretary of State had just sent us a set of draft Rules for the Vice-Admiralty Courts in Her Majesty's possessions abroad, which had been received from the Colonial Office. These Rules had been framed by a Committee nominated by the Colonial Office for the purpose of revising the procedure and scale of fees in the Vice-Admiralty Courts in the Colonies, with a view to the establishment of an uniform system in all those Courts, based on the present practice in the Admiralty Division of the High Court of Justice in England. They provided for assessors as follows:—

"97. The Judge, on the application of any party, or without any such application, if he considers that the nature of the case requires it, may order the attendance at the hearing of one or more nautical or other assessors to be appointed by him.

"98. The fees of the assessors shall be paid, in the first instance, by the plaintiff, unless the Judge shall otherwise order.

And the tables of fees provided for payments to each assessor of sums varying, according to the case, from £1 to £5. It would be seen that there was no very substantial difference between his section and the Rules proposed by the Colonial Office. Those Rules would be referred for consideration to the

Presidency High Courts and, he presumed, the Recorder of Rangoon, who exercised admiralty-jurisdiction under Act XVII of 1875, section 65; and if the shape which they would ultimately assume involved any conflict with the section before the Council, nothing could be easier than to repeal that section."

The Motion was put and agreed to.

The Hon'ble MR. STOKES then moved that the Bill as amended be passed.

The Motion was put and agreed to.

The Council adjourned to Friday, the 12th March, 1880.

D. FITZPATRICK,
Secy. to the Govt. of India,
Legislative Department.

CALCUTTA;
The 5th March, 1880.

Government Central Press.—No. 612 L. D.—12-3-80.—250

Abstract of Proceedings of the Council of the Governor General of India assembled for the purpose of making Laws and Regulations under the provisions of the Act of Parliament 24 & 25 Vic., cap. 67.

The Council met at Government House on Friday, the 12th March, 1880.

PRESENT:

His Excellency the Viceroy and Governor General of India, G.M.S.I., *presiding*.
His Honour the Lieutenant-Governor of Bengal, K.C.S.I.
His Excellency the Commander-in-Chief, G.C.B., G.C.S.I., C.I.E.
The Hon'ble Sir A. J. Arbuthnot, K.C.S.I., C.I.E.
The Hon'ble Sir John Strachey, G.C.S.I., C.I.E.
General the Hon'ble Sir E. B. Johnson, R.A., K.C.B., C.I.E.
The Hon'ble Whitley Stokes, C.S.I., C.I.E.
The Hon'ble Rivers Thompson, C.S.I.
Major-General the Hon'ble A. Fraser, C.B., R.E.
The Hon'ble Sayyad Ahmad Khán Bahádur, C.S.I.
The Hon'ble T. C. Hope, C.S.I.
Hon'ble B. W. Colvin.
The Hon'ble Mahárájá Jotíndra Mohan Tagore, C.S.I.
The Hon'ble C. Grant.
The Hon'ble E. C. Morgan.
The Hon'ble J. Pitt Kennedy.
The Hon'ble G. C. Paul, C.I.E.
The Hon'ble H. J. Reynolds.

JHÁNSÍ ENCUMBERED ESTATES RELIEF BILL.

The Hon'ble MR. COLVIN introduced the Bill to provide for the relief of Encumbered estates in the Jhánsí Division of the North-Western Provinces.

INDIAN LIMITATION ACT, 1877, AMENDMENT BILL.

The Hon'ble MR. STOKES moved for leave to introduce a Bill to correct a clerical error in the Indian Limitation Act, 1877. He said that the Code of Civil Procedure, section 366, as amended by Act XII of 1879, provided that where a sole plaintiff died and his legal representative did not, within the time limited by law, apply to be placed on the record, the Court should, on the

application of the defendant, award him certain costs or pass a certain order. The "time limited by law" for the application by the representative was sixty days from the date of the plaintiff's death, and the intention was that the defendant should have a further period of sixty days in case the representative failed to make his application within due time. Owing, however, to a clerical error, the period prescribed for the defendant's application was also sixty days from the date of the plaintiff's death, and the result was (as had been observed by a learned Judge) that the right to apply under the Code, section 366, was barred by limitation as soon as it accrued. The object of the present Bill was simply to correct this error by giving the defendant a period of sixty days from the expiration of the period allowed to the representative.

The Motion was put and agreed to.

The Hon'ble MR. STOKES also introduced the Bill, which ran as follows:—

"A Bill to correct a clerical error in the Indian Limitation Act, 1877.

In the second schedule to the Indian Limitation Act, 1877, No. 171A, column three, for the words 'The date of the plaintiff's death' the words 'The sixtieth day from the date of the plaintiff's death' shall be, and be deemed to have always been, substituted."

The Hon'ble MR. STOKES also applied to His Excellency the President to suspend the Rules for the Conduct of Business. The error might involve serious consequences, and should be corrected at once.

The PRESIDENT declared the Rules suspended.

The Hon'ble MR. STOKES then moved that the Bill be taken into consideration. He believed that it would effect its object, and he was sure that it had one merit—extreme brevity—which would be appreciated by the Council and the public.

The Motion was put and agreed to.

The Hon'ble MR. STOKES also moved that the Bill be passed.

The Motion was put and agreed to.

NORTH-WESTERN PROVINCES RENT ACT, 1873, AMENDMENT BILL.

The Hon'ble MR. COLVIN introduced the Bill to amend the North-Western Provinces Rent Act, 1873.

VACCINATION BILL.

The Hon'ble SAYYAD AHMAD KHÁN asked leave to postpone the presentation of the Report of the Select Committee on the Bill for giving power to prohibit the practice of inoculation, and to make the vaccination of children compulsory in certain Municipalities and Cantonments.

Leave was granted.

FACTORIES BILL.

The Hon'ble MR. COLVIN asked leave to postpone the Motion that the Report of the Select Committee on the Bill to regulate labour in Factories be taken into consideration. He said that objection had been taken to proceeding with the Bill on the ground that sufficient time had not been allowed for discussing the change which the Select Committee had introduced into the Bill, by which it had been converted from a permissive, into a compulsory, measure, and he understood that the Government wished to give further time for a full discussion of the proposed alteration.

Leave was granted.

The Council adjourned *sine die.*

CALCUTTA;
The 12th March, 1880.

D. FITZPATRICK,
Secretary to the Government of India,
Legislative Department.

Government Central Press.—No. 630 L. D.—17-5-80.—270.

Abstract of the Proceedings of the Council of the Governor General of India, assembled for the purpose of making Laws and Regulations under the provisions of the Act of Parliament 24 & 25 Vic., cap. 67.

The Council met at Government House on Friday, the 30th April, 1880.

PRESENT:

His Excellency the Viceroy and Governor General of India, G.M.S.I., *presiding*.
His Honour the Lieutenant-Governor of the Panjáb, K.C.S.I.
His Excellency the Commander-in-Chief, G.C.B., G.C.S.I., C.I.E.
The Hon'ble Sir J. Strachey, G.C.S.I., C.I.E.
General the Hon'ble Sir E. B. Johnson, R.A., K.C.B., C.I.E.
The Hon'ble Rivers Thompson, C.S.I.
Major-General the Hon'ble A. Fraser, C.B., R.E.
The Hon'ble B. W. Colvin.
The Hon'ble C. Grant.

BOMBAY CIVIL COURTS ACT, 1869, AMENDMENT BILL.

The Hon'ble MR. GRANT moved that the Bill to amend the Bombay Civil Courts Act, 1869, be taken into consideration. He said that it would be in the recollection of the Council that in January last a short Bill had been introduced by the Honourable Member in charge of the Legislative Department to empower the Bombay Government to alter the local limits of the jurisdiction of subordinate judges in that Presidency. After its introduction the Bill was referred for opinion, in the ordinary course of business, to the Bombay Government, and early in the present month a telegram was received, expressing approval of the Bill as it stood, reporting that the prescribed number of publications had been made in the local Gazette, and requesting that the Bill might be passed into law with the least possible delay, as the powers conferrible by it were urgently needed in order to give effect to certain of the provisions of the Dekkhan Agriculturists' Relief Act. In the absence, therefore, of the Honourable introducer of the Bill, he (MR. GRANT) moved that it should be taken into consideration.

The Motion was put and agreed to.

The Hon'ble MR. GRANT also moved that the Bill be passed.

The Motion was put and agreed to.

NORTH-WESTERN PROVINCES RENT ACT, 1873, AMENDMENT BILL.

The Hon'ble MR. COLVIN moved that the Bill to amend the North-Western Provinces Rent Act, 1873, be referred to a Select Committee consisting of the Hon'ble Messrs. Stokes and Thompson, the Hon'ble Sayyad Ahmad Khán, the Hon'ble Mr. Grant and the Mover.

The Motion was put and agreed to.

JHÁNSÍ ENCUMBERED ESTATES RELIEF BILL.

The Hon'ble MR. COLVIN also moved that the Bill to provide for the relief of Encumbered Estates in the Jhánsí Division of the North-Western Provinces be referred to a Select Committee consisting of the Hon'ble Messrs. Stokes and Thompson, the Hon'ble Sayyad Ahmad Khán, the Hon'ble Mr. Grant and the Mover.

The Motion was put and agreed to.

MULTÁN DISTRICT LAWS BILL.

The Hon'ble MR. COLVIN also moved that the Hon'ble Mr. Grant be added to the Select Committee on the Bill to declare the law in force in certain lands annexed to the Multán District.

The Motion was put and agreed to.

The Council adjourned to Friday, the 21st May, 1880.

SIMLA;
The 30th April, 1880.

D. FITZPATRICK,
Secretary to the Government of India,
Legislative Department.

Govt. C. B. Press, Simla.—No. 50, L. D.—10-5-80—250.

Abstract of the Proceedings of the Council of the Governor General of India, assembled for the purpose of making Laws and Regulations under the provisions of the Act of Parliament 24 & 25 Vic., cap. 67.

The Council met at Government House on Friday, the 21st May, 1880.

PRESENT:

His Excellency the Viceroy and Governor General of India, G.M.S.I., *presiding.*
His Honour the Lieutenant-Governor of the Panjáb, K.C.S.I.
His Excellency the Commander-in-Chief, G.C.B., G.C.S.I., C.I.E.
The Hon'ble Sir J. Strachey, G.C.S.I., C.I.E.
General the Hon'ble Sir E. B. Johnson, R.A., K.C.B., C.I.E.
The Hon'ble Rivers Thompson, C.S.I.
Major-General the Hon'ble A. Fraser, C.B., R.E.
The Hon'ble J. Gibbs, C.S.I.
The Hon'ble B. W. Colvin.
The Hon'ble C. Grant.

MULTÁN DISTRICT LAWS BILL.

The Hon'ble MR. COLVIN presented the Report of the Select Committee on the Bill to declare the law in force in certain lands annexed to the Multán District.

The Hon'ble MR. COLVIN also moved that the Report be taken into consideration.

He said that the object of this simple Bill had been already sufficiently explained to the Council. All that he need add to that explanation on the present occasion was that the Select Committee had made no change in the Bill since its introduction. Inquiry had been made in order to ascertain whether any validating clause would be necessary in respect of things done during the time which had elapsed between the cession of this territory in 1872 and the time when the present Bill would become law. It had been found, however, that no such clause was required, and that the Government of the Panjáb did not wish any other change to be made in the Bill. Accordingly the Committee recommended that it should be passed in the shape in which it had been introduced.

His Honour the LIEUTENANT-GOVERNOR remarked that the Bill was very short and simple, and the object of it appeared perfectly clear from the wording of it. It had been found necessary to enact a law to provide that jurisdiction

might be legally exercised over the lands of the Indus Valley State Railway transferred from Bahâwalpur territory to the Multân District; and the Bill as it stood met that want completely.

The Motion was put and agreed to.

The Hon'ble Mr. Colvin also moved that the Bill be passed.

The Motion was put and agreed to.

CENTRAL PROVINCES LAND-REVENUE BILL.

The Hon'ble Mr. Grant moved for leave to introduce a Bill to consolidate and amend the law relating to Land-revenue and the jurisdiction of Revenue-officers in the Central Provinces. He said this Bill, and the Tenancy Bill which he would subsequently move for leave to introduce, were of a kind familiar to the Council, several similar measures having been enacted in the course of the last few years. As in those cases, the Land-revenue Bill would provide for the assessment and collection of the land-revenue, and for the maintenance of the machinery required for those purposes; whilst the Tenancy Bill would complete the scheme of revenue-administration by regulating the relations of landlords to tenants, and the fund out of which the revenue was ultimately paid.

The Land-revenue Bill would, however, differ from most of its predecessors, and indeed from the form in which it was itself at first cast, in being limited as closely as possible to the subjects just enumerated, and so in excluding much matter of a class which, though usually treated as belonging to Revenue-administration proper, really lay quite apart from it. Whether it was because we inherited some of the traditions of the Native rulers whom we succeeded, or because the position of the Government, as partner in so vast an estate, tended somewhat to cast its other relations into the shade, the fact was notorious—that the collection of land-revenue had always been allowed in this country to stand forward as the representative function of the executive, as might be exemplified in the common designation, so puzzling to English ears, of the chief administrative official of a district as the "Collector", or in the recognized division of the public services into two branches, the Judicial and the Revenue Departments, the latter embracing, as was well known, almost every miscellaneous duty which could be imposed on an executive official, such, for instance, as supervising girls' schools, or looking after the board and lodging of travellers, or even providing fireworks for fairs. Probably for that reason few Land-revenue Acts were quite free from some admixture of foreign matter, and in the Central Provinces Revenue Bill, as it first stood, there were chapters on pre-emption, partition, Government

wards and irrigation-tanks, all of which had now been transferred to a separate Bill. As Land-revenue administration pure and simple was a subject on which the authorities were pretty well agreed, its principles having been settled by a long course of experience, the transfer would not only shorten the Revenue Bill, but also, by excluding from it most questions on which difference of opinion was likely to arise, would, he hoped, have the effect of accelerating its passage through the Council.

How important it was that the Revenue Bill, as well as the Tenancy Bill, should be passed without avoidable delay would, he thought, be apparent if he explained briefly the existing condition of the Land-revenue and Rent Law in the Central Provinces. In doing so, he would endeavour to pass as lightly as possible over all details, geographical and historical, which might be found in any ordinary gazetteer or book of reference.

The Central Provinces, as was well known, were made up of various fragments, including a large division of the North-Western Provinces, a district from Central India, another from Orissa, the remains of an extinct Marátha kingdom, and a wild strip of territory from Haidarábád. For present purposes it would, perhaps, be sufficient if he confined his remarks to the two larger of these component portions, formerly known as the Nágpur Province and the Saugor and Nerbudda territories.

The Saugor and Nerbudda territories had now been under British rule for rather more than 60 years, during the first two-thirds of which they were tossed about from Administration to Administration. They were originally divided between the political authorities of Nágpur and Central India, but were soon united under a Governor General's Agent of their own. From his charge they were transferred to the Government of the North-Western Provinces. Then broke out the rebellion of 1842, and the Governor General, Lord Ellenborough, took them into his own hands. In a few years, however, they were restored to the North-Western Provinces, and lastly, in 1861, they were incorporated into the newly created Central Provinces.

Thus, in little more than forty years, there were five changes of administration, with an average duration scarcely exceeding eight years to each. It would readily be conceived that in such circumstances there was little opportunity for the law to settle down and consolidate. The spirit of the Regulations was, it was true, prescribed for the guidance of local officials, but it did not seem to have penetrated very deeply; for in 1834 Mr. Mertins Bird, a distinguished and still remembered Member of the North-West Revenue Board, who was deputed to visit and report upon the country, wrote that "none of the British officers had read a word of the Regulations applicable to the province," and that they "knew nothing of their spirit or of what was valuable in

them." Twenty years later a scheme of coercive processes for the collection of the land-revenue was introduced by the North-West Board of Revenue; but as parts of the existing province were not confiscated and annexed until after the rebellion of 1857, whilst others again, though managed by us from an early period, were not formally ceded to us until 1860, it was impossible to say that the powers with which the Local Government was thus armed were of universal application even in the Saugor and Nerbudda territories.

In the Nágpur province the difficulty was, not to say how far the revenue-law was applicable, but what was the law—indeed, whether there was any law at all. After the death of the last Bhonsla Rájá in 1853, and on our assumption of the country in 1854, it was decided by Lord Dalhousie that the system which had been employed in the management of the State by Sir R. Jenkins, during a Regency lasting from 1818 to 1827, should be resumed. The essence of that system was declared to lie in the adoption of "plain, simple and efficient Regulations based on the ancient laws and usages of the country". It did not seem, however, to have provided any particular procedure for the collection of the land-revenue. Probably it would not have occurred to anyone at that time that special powers were needed for such a purpose. The land was undisputedly the property of the State, and, even if there could have been any doubt on the point, the Resident, assuming, perhaps, some of the despotic powers of the Native dynasty which he represented, had been long accustomed to solve far more intricate questions by his simple fiat. Thus, when he determined to put down complaints of witchcraft, he ordered fifty lashes, and if necessary more, to be administered to all over-officious witchfinders; and he suppressed, even in a more summary way, an ancient and lucrative usage of the country, *viz.*, the sale of poor men's widows for the benefit of their richer neighbours and of the Government. An authority, thus competent to declare a new offence and suppress an old usage, would certainly not be unequal to enforcing, even without legislative aid, the collection of revenue admittedly due to the State.

When by degrees a more settled system was introduced, the moderation of the land-revenue assessment, and the long habituation of the people to executive guidance, for a time kept administrative jars and legal difficulties in the background. Of late years, however, the diffusion of legal knowledge and the increasing facility for obtaining legal advice had on some occasions placed the Government and the land-revenue payers at arm's length, if not in actual collision; and, although, by the exercise of some mutual forbearance, those cases had been compromised or otherwise settled, it was high time that the rights and liabilities to each other of the Government and the land-holders should be clearly defined, and that land-revenue administration should no longer proceed more or less in the dark.

Passing on to the Tenancy question, we came upon the firmer ground of positive law, though it might be questioned whether the reign of a foreign law was altogether preferable to the kind of legal anarchy, tempered by local custom, which it replaced. The present law of landlord and tenant in the Central Provinces was the well-known Act No. X of 1859, which had been described as the "raiyat's charter,"—the complement, in regard to tenants, of the beneficent legislation which conferred a permanent settlement on the landlords of Bengal. Act X might perhaps have been entitled to those high eulogies in the Lower Provinces, where landlords had, by their long start, gained considerable vantage-ground over their tenants, and used it—so it was said—to obtain enhanced rents by means of confinement and other modes of restraint. But in Upper India the new law was certainly no unmixed boon to tenants. Even in the North-Western Provinces it altered the law to their disadvantage by introducing a rapid and summary procedure for enhancing rents instead of the slow and cumbrous process of a civil suit, and by materially enlarging the grounds on which a Court might decree enhancement.

In the Central Provinces, where, as we had seen, custom was stronger than law, it substituted machinery which, if somewhat rigid and ill-adjusted to local circumstances, was none the less powerful in skilled hands, for a system of complete conservatism, founded, partly no doubt on sympathy for the people, but also on [illegible]r of all changes and disturbances which might prejudice the collecti[illegible]e land-revenue. Mr. Bird, whom Mr. Grant had already quoted, described very graphically the lengths to which this apprehension led the revenue-authorities—how they forced bankers to give loans to insolvent cultivators—how they refused to enforce Civil Court decrees against cultivators until the revenue had been collected—how all agricultural stock was exempted from distraint—and, generally, how all other interests were subordinated to the paramount object of getting in the State dues. As at that time cultivators were scarce, the displacement of a cultivator would have been discouraged, not only as injurious to him, but as objectionable on fiscal grounds, and the result was that old cultivators in the Saugor and Nerbudda territories enjoyed a very considerable measure of protection, and indeed were practically secure against ejectment, so long as they paid a moderate rent with reasonable punctuality. Not only were those privileges directly curtailed by Act No. X of 1859, but, as Mr. Jones, the author of these Bills, pointed out—

"with the inevitable tendency of written to drive out unwritten and customary law, it spread among all ranks of officers a more or less definite impression that it was not very necessary to enquire what rights tenants had before its introduction, and that they could have no rights except those which it recognised. An Act, which was intended to confer rights on tenants, was construed as if it had demolished rights which, before its introduction, they possessed."

Now, no definite law could, of course, restore to tenants, even if such restoration were desirable, immunities which they derived from the very absence of a defined legal system; but this much at any rate might be advanced with confidence respecting the Bills which he asked leave to introduce—that they had been prepared with much research, and with careful regard to the interests, not only of tenants but of landlords, by one of the most experienced of the officials who had served in the province, and that they had since been subjected to repeated and minute criticism, both here and in the Central Provinces. When the time came for him to explain the details of the Bills, the Council would, he hoped, find that they adequately met all reasonable requirements.

The Motion was put and agreed to.

CENTRAL PROVINCES TENANCY BILL.

The Hon'ble MR. GRANT then moved for leave to introduce a Bill to define and amend the law relating to the tenancy of land in the Central Provinces.

The Motion was put and agreed to.

EXEMPTION FROM MUNICIPAL TAXATION BILL.

The Hon'ble MR. GRANT also moved for leave to introduce a Bill to exempt certain persons and property from municipal taxation. He said it was a Bill for the purpose of empowering the Governor General in Council to exempt military officers and men (not being in civil employ), and also public property, such as horses and wagons, from certain forms of municipal taxation in municipalities which were not also military cantonments. As regards military cantonments, that object had already been attained by section 24 of the recently passed Cantonment Act, No. III of 1880, and it had been proposed to deal with the case of military men and public property in ordinary municipalities by introducing the necessary provisions into the Bill to regulate the levy of Town-duties and Tolls in Municipalities. That Bill, however, could not be proceeded with immediately, and hence it had been thought advisable to complete the necessary legislation by asking the Council to deal with the subject independently.

The Motion was put and agreed to.

The Council adjourned to Friday, the 28th May, 1880.

SIMLA;
The 21st May, 1880.

D. FITZPATRICK,
Secretary to the Government of India,
Legislative Department.

G. C. B. Press, Simla.—No. 90 L. D.—28-5-80—250.

Abstract of the Proceedings of the Council of the Governor General of India, assembled for the purpose of making Laws and Regulations under the provisions of the Act of Parliament 24 & 25 Vic., cap. 67.

The Council met at Government House on Monday, the 31st May, 1880.

PRESENT:

His Excellency the Viceroy and Governor General of India, G.M.S.I., *presiding.*
His Excellency the Commander-in-Chief, G.C.B., G.C.S.I., C.I.E.
The Hon'ble Sir John Strachey, G.C.S.I., C.I.E.
General the Hon'ble Sir E. B. Johnson, R.A., K.C.B., C.I.E.
The Hon'ble Rivers Thompson, C.S.I.
Major-General the Hon'ble A. Fraser, C.B., R.E.
The Hon'ble J. Gibbs, C.S.I.
The Hon'ble Sayyad Ahmad Khán, Bahádur, C.S.I.
The Hon'ble B. W. Colvin.
The Hon'ble C. Grant.
His Highness Ragbír Singh, G.C.S.I., C.I.E., Rájá of Jheend.

NEW MEMBER.

His Highness RÁJÁ RAGBÍR SINGH took his seat as an Additional Member.

EXEMPTION FROM MUNICIPAL TAXATION BILL.

The Hon'ble MR. GRANT introduced the Bill to exempt certain persons and property from municipal taxation, and moved that it be referred to a Select Committee, consisting of the Hon'ble Sir E. Johnson, the Hon'ble Messrs. Gibbs and Colvin and the Mover. He said that at the last meeting of the Council, in asking for leave to introduce the Bill, he explained that it had been found necessary to insert in the Cantonment Act lately passed, No. III of 1880, a section empowering the Governor General in Council to exempt certain persons or classes of persons and property from municipal taxation in military cantonments. Those powers had been taken in order to protect military officers and men from certain forms of taxation, such as taxes on salaries and professions, which in their case were thought inappropriate; and to prevent municipalities from raising income at the public expense by taxing Government property. In order to carry out those objects, a notification was issued

by the Governor General, which he would read to the Council, as it would show the nature of the proceedings which might be taken under the present Bill. It was as follows :—

"In exercise of the power conferred by section 24 of Act No. III of 1880 (The Cantonments Act), the Governor General in Council is pleased to declare that in any cantonment situated in British India, which may have been, or may in future be, brought under the operation of a Municipal Act, the following classes of persons shall, when on duty in such cantonment, be exempted from the operation of taxes of the following kinds (namely) :—

"*Classes of persons to be exempted.*

(*a*) Regimental officers, non-commissioned officers and soldiers, medical or veterinary officers, and warrant officers on military duty.

(*b*) Royal Engineers in the Public Works Department.

(*c*) Officers of the Staff Corps and Indian Army and warrant officers of the Army employed in the Military Branch of the Public Works Department.

(*d*) Officers and warrant officers of the Army staff and of Army departments, such as the Commissariat, Ordnance or Pay Department.

"*Taxes from the operation of which exemption is granted.*

(1) Municipal taxes on salaries.

(2) Municipal taxes on professions, trades, callings, offices or appointments.

(3) Municipal taxes on horses, mules or ponies kept for military duty.

(4) Municipal, ferry or road tolls on animals or vehicles kept or used for military duty.

"2. In further exercise of the power conferred by the same section, the Governor General in Council is pleased to prohibit the levy, in any cantonment in British India, of any municipal tax whatsoever on public property, animals or vehicles.

"3. In this order the expressions 'municipal tax,' 'municipal taxes' and 'municipal tolls' include any tax or toll imposed by virtue of the provisions of a Municipal Act under the operation of which any cantonment may have been, or may in future be, brought."

The interests of military officers and men, and public property in cantonments, having been thus guarded, it became necessary, for the sake of fairness and uniformity, to extend similar immunities to military officers and men obliged to live outside cantonments, and to protect public property wherever it might be found within municipal limits. It was with those objects that the present Bill had been drawn; and the measure was of so simple a character, that it required no detailed exposition.

The Motion was put and agreed to.

The Hon'ble MR. GRANT moved that the Bill be published in the local official Gazettes, in English and in such other languages as the Local Governments might think fit.

The Motion was put and agreed to.

VACCINATION BILL.

The Hon'ble SAYYAD AHMAD KHÁN moved that the Hon'ble Mr. Gibbs be added to the Select Committee on the Bill for giving power to prohibit inoculation and to make the vaccination of children in certain municipalities and cantonments compulsory.

The Motion was put and agreed to.

The Council adjourned *sine die*.

SIMLA; *The* 31*st May*, 1880.

D. FITZPATRICK,
Secretary to the Government of India,
Legislative Department.

NOTE.—The meeting which was originally fixed for Friday, the 28th May, 1880, was postponed to Monday, the 31st May, 1880.

G. C. B. Press, Simla.—No. 111 L. D.—3-6-80.—250.

Abstract of the Proceedings of the Council of the Governor General of India, assembled for the purpose of making Laws and Regulations under the provisions of the Act of Parliament 24 & 25 Vic., cap. 67.

The Council met at Government House on Friday, the 2nd July, 1880.

PRESENT:

His Excellency the Viceroy and Governor General of India, K.G., P.C., G.M.S.I., *presiding*.
His Honour the Lieutenant-Governor of the Panjáb, K.C.S.I.
His Excellency the Commander-in-Chief, G.C.B., G.C.S.I., C.I.E.
The Hon'ble Sir John Strachey, G.C.S.I., C.I.E.
General the Hon'ble Sir E. B. Johnson, R.A., K.C.B., C.I.E.
The Hon'ble Whitley Stokes, C.S.I., C.I.E.
The Hon'ble J. Gibbs, C.S.I.
The Hon'ble Sayyad Ahmad Khán Bahádur, C.S.I.
The Hon'ble B. W. Colvin.
The Hon'ble C. Grant.
His Highness Ragbír Singh, G.C.S.I., C.I.E., Rájá of Jhínd.

BOMBAY REVENUE JURISDICTION BILL.

The Hon'ble MR. COLVIN moved for leave to introduce a Bill to amend the Bombay Revenue Jurisdiction Act, 1876.

He said that the necessity which had arisen for amending this Act could be explained in a few words. A portion of that Act had been virtually repealed. The provisions of three of its sections had been deprived of all practical effect by a later law—the Bombay Land-revenue Code: in fact, two of those three sections were avowedly passed for a temporary purpose, and with the intention that they should only remain in force until the latter Act became law. Since these three sections as they now stood were useless, it was proposed to repeal them expressly.

Again, the meaning of a fourth section of the Act, which referred to a Bombay Regulation of 1830, had become obscure, if not altogether unintelligible, by the subsequent repeal of that Regulation; that section had therefore become inoperative, if indeed it had not always been so, and it would be better to strike it also out of the Act.

When these sections were being rescinded, the Government of Bombay wished to take the opportunity of making two changes in the law. In the first place they desired to relax in certain cases the rule which declared that all suits in which the Government or any officer of the Government was a party should be brought in the Court of the District Judge only. It was found in practice that this rule was too comprehensive. It brought a very large number of petty suits into a superior Court, and formed a needless exception to the general principle, which was that all suits should be tried in the lowest Court which could properly exercise jurisdiction in respect of the claim made. In the second place, the Government of Bombay wished the law amended which regulated the recovery of advances that might be made to cultivators in the way of agricultural relief. It was proposed to assimilate its law on the subject to that which is contained in "The Northern India Takkávi Act," according to which advances of the nature he had described were declared to be recoverable in the same way as arrears of land-revenue from the persons who had received them, and from their sureties. Those were the reasons which made legislation necessary, and for which he asked leave to introduce a Bill to amend the Bombay Revenue Jurisdiction Act.

The Motion was put and agreed to.

BURMA COURTS' BILL.

The Hon'ble Mr. Stokes moved for leave to introduce a Bill to provide for the appointment of an Additional Recorder of Rangoon, and for other purposes. He said that this Bill had been prepared to meet two difficulties which had lately arisen in Rangoon in connection with the prosecution of twenty-two cases arising out of alleged corrupt practices by officers in the Commissariat Department in British Burma. These prosecutions had their origin in disclosures made before the Recorder of Rangoon when exercising his insolvent jurisdiction in the case of the firm of Cohen Brothers and Co., who carried on business in Burma and Calcutta and who failed in 1879. In the course of this proceeding that learned Judge found it necessary to make inquiries into the meaning of certain entries appearing in the books of the insolvents, and those entries formed the basis of the present prosecutions. In consequence of his having in the course of the proceedings expressed a strong opinion that Cohen Brothers had been, systematically, administering bribes to the officers of the Commissariat Department, at Rangoon, Thayetmyo and Tounghoo, implicated in the present proceedings, these officers and, what was much more important, the learned Recorder himself, considered it was unadvisable that he should sit as Judge at their trial. On the other hand, it was very desirable, seeing, as he was sorry to say, that most of the parties were European British subjects, that the

cases should be tried in the Recorder's Court at Rangoon. Government had been unable to find any way out of this difficulty except by legislation; and as the present difficulty might possibly arise hereafter in similar cases, power had been taken in the present Bill for the Governor General in Council to appoint, from time to time, as circumstances might require, an Additional Recorder who, in the disposal of cases, whether when sitting alone or in the Recorder's place in the Special Court, should have all the powers and jurisdiction of the Recorder.

The other difficulty had arisen from a difference of opinion between the Recorder and the Judicial Commissioner as to whether the Court of the Recorder was for all purposes the High Court with regard to European British subjects in respect of offences committed by them in places beyond the limits of the Recorder's original civil jurisdiction. The Burma Courts' Act (XVII of 1875), after providing (section 61) that the Recorder should have all the powers of a High Court under the Code of Criminal Procedure in respect of the Magistrates *within the local limits of his ordinary original civil jurisdiction*, and the proceedings of such Magistrates, proceeded as follows:—

"62. The Recorder shall have the powers of a High Court under the Code of Criminal Procedure for the trial of, *and otherwise with reference to*, European British subjects and persons charged jointly with European British subjects."

The Council would see that there was nothing in section 62 (such as there was in section 61) to limit the local operation of the Recorder's powers, and that the words "otherwise with reference to" were wide enough to include appellate and revisional jurisdiction. The Recorder and Mr. Sandford, the late Judicial Commissioner, were of opinion that section 62 should be interpreted as giving to the Court of the Recorder the jurisdiction of a High Court for all purposes in respect of offences committed by European British subjects in any place in British Burma. The present Judicial Commissioner, Mr. Jardine, and his *locum tenens* were, on the other hand, of opinion that the section had not that effect. The better opinion certainly seemed to MR. STOKES to be—and he found that the Local Government concurred with him—that the Recorder had the jurisdiction in question. But, as there was room for doubt in two men's minds, and as a different holding might, in the present case, cause a serious failure of justice, the Bill amended the Burma Courts' Act so as to preclude all possible dubitation on the subject.

The Motion was put and agreed to.

The Hon'ble MR. STOKES also introduced the Bill. He said that, as it had been circulated for only a few days, and some Hon'ble Members had probably

not had time to look into it, he would, with His Excellency's permission, ask the Secretary to read the Bill to the Council. Mr. Fitzpatrick then read the Bill as follows:—

"*A Bill to provide for the appointment of an Additional Recorder of Rangoon, and for other purposes.*

Preamble.

"Whereas it is expedient to provide for the temporary appointment, from time to time, of an Additional Recorder to assist the Recorder of Rangoon;

and whereas it is also expedient to remove certain doubts which exist as to the jurisdiction of the said Recorder under section sixty-two of the Burma Courts' Act, 1875; It is hereby enacted as follows:—

Commencement.

"1. This Act may be called 'The Burma Courts' Act, 1880'; and it shall come into force at once.

Appointment of Additional Recorder.

"2. The Governor General in Council may, from time to time, by notification in the *Gazette of India*, appoint, to be an Additional Recorder and to sit as such in the Court of the Recorder of Rangoon, such person as he thinks fit, being a Barrister of not less than five years' standing, or a person who has for at least three years served as a District Judge, or exercised the like powers as those of a District Judge.

"Every person so appointed shall hold his office during the pleasure of the Governor General in Council.

Cases to be disposed of by Additional Recorder.

"3. Every Additional Recorder appointed under section two shall sit at such of the places at which, under the said Act, the Recorder's Court can be held, as the Chief Commissioner of British Burma, from time to time, directs, and shall dispose of such cases, now or hereafter pending in the said Recorder's Court under any enactment for the time being in force, as the said Chief Commissioner or Recorder may, from time to time, direct, and in the disposal of such cases shall administer the same law, follow the same procedure, exercise the same powers and use the same seal as would be administered, followed, exercised and used by the said Recorder in like cases.

"All decrees, orders and sentences made or passed in such cases by any such Additional Recorder shall, for the purposes of the law relating to appeals, references and revision, be deemed to be made or passed by the Recorder.

"The Chief Commissioner may at any time cancel any direction given under this section requiring the Additional Recorder to dispose of a case.

Additional Recorder to sit in Special Court in place of Recorder.

"4. The Additional Recorder shall also sit in the place of the Recorder as a member of the Special Court established under chapter V of the said Act, for the disposal of such cases as the Chief Commissioner directs, and shall, while so sitting, take precedence according to the same rule as the Recorder, and exercise all the powers and perform all the duties which under the said Act may be exercised and performed by the Recorder as a member of such Special Court.

"5. Whenever, in cases tried by the Judicial Commissioner and Additional Recorder of Rangoon sitting together as a Special Court without a Commissioner, a difference of opinion arises, the rules prescribed by section eighty of the said Act shall be observed, the words 'Additional Recorder' being substituted for the word 'Recorder' wherever it occurs in the said rules.

Section 80 of the Burma Courts' Act to apply when Additional Recorder sits in Special Court.

"6. For the first paragraph of section sixty-two of the said Burma Courts' Act, 1875, the following paragraph shall be substituted :—

Amendment of section 62 of the Burma Courts' Act, 1875.

"'Notwithstanding anything hereinbefore contained, the Recorder shall have all the powers of a High Court, under the Code of Criminal Procedure, in respect of offences committed by European British subjects, and persons charged jointly with European British subjects, within British Burma.'"

The Hon'ble MR. STOKES also applied to His Excellency the President to suspend the Rules for the Conduct of Business. He said that the matter was one of considerable urgency. The proceedings had already lasted for a considerable time, and the witnesses could not be expected to remain much longer in Rangoon, which to many of them was a foreign country. Furthermore, that gross frauds and malpractices had for many years existed in British Burma there was, unfortunately, no room to doubt. The question as to the share taken in these malpractices by the particular persons now accused was (to quote an able letter written by Lieutenant-Colonel Weldon, deputed by the Madras Government to enquire into the matter) but a part of the larger question. Unless special efforts were made to facilitate the inquiry now pending and take advantage of the presence of evidence with difficulty kept in hand, an opportunity would be lost which, in all probability, would never recur.

His Excellency the PRESIDENT considered that the reasons given were quite sufficient to justify the suspension of the Rules. He therefore declared the Rules suspended.

The Hon'ble MR. STOKES moved that the Bill be taken into consideration.

The Motion was put and agreed to.

The Hon'ble MR. STOKES moved that the Bill be passed.

The Motion was put and agreed to.

KÁZÍ BILL.

The Hon'ble SAYYAD AHMAD KHÁN presented the Report of the Select Committee on the Bill for the appointment of persons to the office of Kází.

EXEMPTION FROM MUNICIPAL TAXATION BILL.

The Hon'ble MR. GRANT moved that the Hon'ble Mr. Stokes be added to the Select Committee on the Bill to exempt certain persons and property from Municipal taxation.

The Motion was put and agreed to.

CENTRAL PROVINCES LAND-REVENUE BILL.

The Hon'ble MR. GRANT also introduced the Bill to consolidate and amend the law relating to Land-revenue and the jurisdiction of Revenue-officers in the Central Provinces. He said that he found that he should not have to trouble the Council at any great length in explanation of the Bill—the Central Provinces Land-revenue Bill—which he proposed to introduce to-day. As he had explained on a former occasion, those portions of the original draft which were most likely to give rise to difference of opinion had been excluded, and would be laid before the Council in a separate shape. The remaining chapters for the most part followed, with such modifications as might be necessary to meet local circumstances, long established precedents, which it would be a mere abuse of the time of the Council to dilate upon afresh. Such remarks as he had to offer, therefore, would be confined to four or five questions only; but before proceeding to embark on them, he should perhaps describe briefly the stages by which the Bill had reached its present shape.

Together with the Central Provinces Tenancy Bill, it was originally drafted at the end of 1874—that was nearly six years ago—by Mr. W. B. Jones, now Commissioner of Berár. After going through a course of local criticism and modification, both Bills were submitted to the Government of India in the beginning of 1876. Owing partly to the intricacy and difficulty of the subjects themselves, and partly, perhaps, to the very elaboration and completeness with which they had been treated, the progress made with them was at first slow; but during the ensuing year they were minutely discussed by Mr. Jones and the Hon'ble Mr. Cockerell, the member then in charge; and in 1878 thoroughly revised drafts were sent down to the Central Provinces. Those drafts were laid before Mr. Jones and other officers, and the results of their examination and criticism were submitted to the Government of India in April, 1879; and, as it happened that in the same month he (MR. GRANT) obtained acting charge of the Central Provinces' Chief Commissionership, he took the opportunity to examine both Bills by the light of some very valuable notes furnished in the course of the year by Mr. C. H. J. Crosthwaite, whose share in the preparation of the North-Western Bills, added to his experience both in the North-West and in the Central Provinces, gave

exceptional weight to his opinion. The result was that some simplifications and curtailments of the Bills were thus effected, without, it was hoped, any sacrifice of real importance; and finally, the present season had been devoted, with the skilled aid of the Legislative Department, to improving the form of the Bills. He need not perhaps add that, where such improvements were real, as he might safely affirm in the present instance, they had far more than a mere formal importance; for the form and the substance were so closely interdependent that the one could not but be materially affected by the defects or excellences of the other.

As at present cast, the Bill followed very closely what appeared to be the natural lines of the subject. It commenced with defining the powers and procedure of Revenue-officers, and almost necessarily so commenced; for this portion of the Bill had somewhat of a universal character. As he had explained on a former occasion, land-revenue collection took so representative a place in the executive administration of the country that the Revenue-officers here described not only filled the functions provided for in the Bill, but also undertook all general executive duties. The next part of the Bill dealt with the assessment of the land-revenue, and the various operations classed with it under the name of settlement, on which of course the whole fabric of land-revenue administration depended. Then we passed on to the collection of the land-revenue, providing the usual armoury of coercive processes against defaulters. Although he hoped there would be in the future, as there had been in the past, but little occasion to use those weapons, the knowledge that they were ready in reserve would greatly strengthen our hands. Full provision followed for the maintenance of the elaborate Record-of-rights prepared at the settlement; and lastly were defined the duties and liabilities of the village-officers, on whose aid we so largely depended, not only for the maintenance of the Record-of-rights, but also for other ancillary objects which, if only indirectly connected with the realization of the land-revenue, might at least be properly included within the province of the Government in its capacity of partner in the proprietorship of the soil.

Passing on to matters of detail, he would only notice those few points in which there had been any departure from well-established practice or principle.

In section 44 there was an attempt to draw attention to a point which, so far as he was aware, had not been legislatively noticed elsewhere in the Upper Provinces. It was the practice, as was well known, in making settlements of the land-revenue, to exempt from assessment village-sites which returned no rental to the village proprietors: and the principle of such an exemption, made once for all, and within suitable limitations, at the commencement of our

settlements, might easily be defended. But the case was different when habitations encroached upon arable land for the benefit of non-agricultural communities. The sites thus taken up, more especially on the outskirts of towns, might by degrees acquire a considerable pecuniary value; and the State could not be justly asked to sacrifice its land-revenue on account of a change in the form of occupation which might be actually advantageous to the proprietors. Accordingly, it was provided in this section that no village-site should be extended by a Settlement-officer, at the expense of the revenue-paying area, without the special permission of the Local Government.

Many of the functions of the Settlement-officer were, as was well known, of a discretionary character, and, although they might and did affect private rights, it would be inexpedient to subject them to the supervision of the regular Courts, which on their part would generally be, by their constitution, unfitted for dealing with such matters. Thus, no one probably would contend that the Courts should or could control the assessment or distribution of the land-revenue, or the appointment of village-officers. In those matters, therefore, discretion had been left the Settlement-officer, subject to the usual checks furnished by appeal to the higher Revenue-authorities.

On the other hand, where private rights as between two parties were concerned, claimants should not be deprived of their usual remedies, but at the same time vexatious delay would be caused, and injurious litigation would be fostered, by staying the settlement-proceedings, on the occurrence of every little difference of opinion, till a decision had been obtained in a civil Court. Accordingly, in section 78 a list had been given of quasi-judicial matters in which the Settlement-officer was empowered to make a summary enquiry and decision, subject to subsequent challenge by institution of a regular suit. Probably most of those petty disputes, if intelligently settled, would go no further, whilst there would be the means of ultimate redress for all suffering from real grievances.

Sections 88 and 89 provided for a class of cases which would not be of permanent recurrence, but which might otherwise have continued to trouble our Courts for some years yet. At or previous to the recent settlements in the Central Provinces, proprietary rights were formally conferred on landholders for the first time. Before then they had been recognized as farmers or *málguzárs* only, but many of them had been long connected with their villages; and, in awarding proprietary rights, Settlement-officers were instructed to recognize "fixed rights, or claims and interests, in whatever form they had grown up." The finality of those awards had since been much debated in the civil Courts, and some very difficult questions had arisen out of the suits to contest or supplement the settlement-decisions. The opportunity had therefore been taken, in treating of

the effects of past settlements, to declare that, when a Settlement-officer had specifically pronounced on a claim to proprietary right, his decision should not now be open to question in the civil Courts, but that claims left out of consideration at the settlement might still be asserted in the usual way in the Courts, provided that they were not barred by limitation.

The methods provided for realising the Government land-revenue from defaulting landholders followed, as had been said, the traditional models, and needed no particular discussion here. But the Government revenue, of course, depended ultimately on the power of the representative landholders to realize their proper contributions from the rest of their body, and means had therefore been taken to strengthen their hands by a section (No. 116), borrowed from the Oudh Act, which empowered Deputy Commissioners, on application from a representative landholder, to realize on his behalf arrears from subordinate or associate sharers in the proprietary right, in the same manner, and with the same powers, as would be available for the realization of Government land-revenue.

The next section (117) dealt in a very simple but, it was hoped, a sufficiently effective manner with the important question of revenue-free grants of land or revenue-assignments made by proprietors. It would be obvious that the State was vitally interested in preventing the exclusion of land from the revenue-paying class, and the consequent contraction of the area on which its demand had been calculated and the security of that demand rested. The old law was not without provision for enabling landholders to resume grants of this kind improvidently made by them or by their predecessors; but the powers given by it were not sufficiently extensive, and it had been held by the Courts that twelve years' unchallenged possession would secure a grantee against resumption. The result might have been, and he understood actually had been in some cases in Jhánsí, to seriously cripple the resources of the land-revenue payers, and so to imperil the land-revenue. Fortunately the evil had not made itself so severely felt in the Central Provinces, and they had thought it sufficient to provide against the ill effects of such alienations in the future by declaring that nothing in the Limitation Act, and no agreement made after the passing of this Act, should bar the right of *málguzárs* to demand revenue from any person holding land which had been taken into account in the assessment.

The next section claiming notice was section 122, which empowered the Chief Commissioner to enforce any rule, custom or condition entered in the Record-of-rights. In settlements made on an Upper Indian model it was usual to wind-up the settlement enquiries by framing a record of the general rules, customs and conditions by which the different sections of the village-communities were bound *inter se.* This record had always been regarded

as a kind of village-charter; and thus being, or being intended to be, the ultimate standard for the settlement of all main questions of customary right, and the work of the people themselves, there had hitherto been no general inclination to question or demur to its provisions. But as Courts and lawyers increased, and people looked more sharply to their rights and liabilities, it must be expected that cases should occur in which they would not be content simply to accept the advantages of old institutions, but would seek out their defects in order to profit by them; and it must be admitted that the administration-papers, drawn as they often were by unskilled hands, and dealing in a somewhat general manner with questions purporting to affect not only numerous executants with various and perhaps conflicting interests, but also others who were not parties to the execution of these papers at all, were somewhat cumbrous instruments to employ in the close combats of the Courts. In one recent instance, in which the welfare of several adjoining villages depended on obtaining additional land for extending an irrigation tank, a single recalcitrant proprietor found himself able to defy both his neighbours and the Revenue-authorities by taking advantage of the technical insufficiency of the administration-papers; and other cases had also occurred, involving, for example, the rights of resident cultivators to forest-produce, or to sites for their houses, in which the settlement provisions were found so difficult to enforce as to be practically inoperative. As the general feeling of the village population was still strongly in favour of those records, the mere knowledge that they could, if necessary, be enforced, subject to the usual checks by way of appeal and revision, would probably be quite sufficient to counteract mere isolated attempts to break them down; and, should such attempts still be made, it would be to the public interest that the questions which they raised should be settled by simple executive intervention, rather than that whole villages should be arrayed against themselves in contests with which civil Courts were so ill-constituted to deal.

Finally, he should explain what, even to many experienced Revenue-officials, would appear an unfamiliar designation—the *mukaddam*, whose functions were defined in Chapter XII. *Mukaddams*, as stated in section 4 of the Act, were the executive headmen of villages, and experience had shewn that such functionaries were in many cases much needed. Indeed, in Chánda and Nimár, which were among the last settled districts of the Central Provinces, the Government made the appointment of mukaddams a condition of settlement. The tendency of allowing land to be freely sold and mortgaged was to throw it into the hands of town-bankers, who, regarding it as a commercial speculation or investment only, did not take further interest in it; and the application of our comparatively advanced theories of land-tenure to the quasi-proprietary holdings of India had been to relax the feudal feeling which attached important duties to the

possession of the soil, and so to weaken materially the executive administration of the country. No abrupt reversal of this policy would now be desirable, even if it were possible; but we might reasonably insist, in the cause of good government no less than in the more particular interests of the State as part proprietor of the soil, that the executive authorities should have the means of communicating directly with each village-community through a single responsible and representative headman, and that large groups of villages should not be left by absentee landlords absolutely without any responsible manager or influential agent to whom the inhabitants might look for advice and aid in their corporate dealings with the State, no less than in other matters.

The Bill further, in section 142, enumerated some of the duties which would devolve on mukaddams, as representing village proprietary bodies; and, as would be seen, they were all of a kind which might reasonably be required from Indian landholders for their own advantage, or as part of the obligation by which they held lands from the State. In the former class might be mentioned village sanitation and the guardianship of common rights; in the latter might be instanced the preservation of public survey-marks and co-operation in the collection of the Government dues.*

The Hon'ble MR. GRANT was not aware of any other points in the Bill which needed particular comment or explanation. Experienced Revenue-officers would no doubt recognise in most portions of it the familiar rules and principles of the Thomasonian system. But it was due to Mr. Jones, the author of the Bills, to say that in no case had he allowed his respect for these time-honoured models to betray him into blind adoption of them irrespectively of their adaptation to local circumstances. Each detail of the Bill had been independently and thoroughly examined by him; and where the practice of the distinguished North-Western Revenue-school had been followed, it was only because it was not found possible to improve upon it. In form, certainly, there had been considerable changes in, and he ventured to say ameliorations of, the original drafts; and for these we were indebted to the high skill and patient labour of the Legislative Department, which, without sacrificing the completeness and thoroughness of the original treatment, had reduced both Bills to a shape in which he hoped they would prove clear and simple, as well as sound, guides to Revenue-officers of all classes in the Central Provinces.

ADMINISTRATOR GENERAL'S BILL.

The Hon'ble MR. STOKES moved for leave to introduce a Bill to exempt Pársís from certain provisions of the Administrator General's Act, 1874. He said that, as the law now stood, all the provisions of that Act applied to Pársís in the same manner as to their European and Christian fellow-subjects. On the other hand, Hindús, Muhammadans and Buddhists were expressly exempted

from some of the most important provisions of the Act. Those provisions would be found in sections 16, 17, 36 and 64. So far as could be gathered from various memorials and petitions which had been received, the Pársís were almost unanimous in their desire to be exempted from the Act in the same manner and to the same extent as Hindús, Muhammadans and Buddhists. The grounds which they urged were two. First of all they said that there was no necessity for the Act in their case; and, secondly, they alleged that its provisions, when applied to them, were oppressive, burdensome and repugnant to their social and religious customs. As regards the former ground, there was no doubt that the Act was originally intended to apply chiefly, if not solely, to Europeans and other persons with a foreign domicile residing in India, and that Pársís were distinctly Asiatics with an Indian domicile. They always had friends or relations willing to take charge of their property and to administer it properly. It was clear, therefore, that the Pársís were in a totally different position from those for whom the Act was originally intended, and it would therefore seem that much might be said in favour of their arguments on this ground.

The other ground of their contention was not, however, so strong. It could hardly be contended that the provisions of the Administrator General's Act were in themselves oppressive; but section 64, for instance, required the District Judge in certain cases to take charge of the property of deceased Pársís, and looking to the repugnance which the Pársís, like all Orientals, had to any intervention on the part of the Courts in their private family affairs and resources, and considering that those affairs and resources would certainly sometimes be exposed if this section were enforced in their case, it might be admitted that the second ground was not altogether without foundation. The Bill, by some slight alterations of four or five sections of the Administrator General's Act, would put the Pársís in exactly the same position, as regards the Act, as their Hindú, Muhammadan and Buddhist fellow-subjects.

The Motion was put and agreed to.

VACCINATION BILL.

The Hon'ble SAYYAD AHMAD KHÁN presented the Report of the Select Committee on the Bill to give power to prohibit inoculation, and to make the vaccination of children compulsory, in certain Municipalities and Cantonments.

The Council adjourned to Friday, the 9th July, 1880.

SIMLA;
The 2nd July, 1880.

D. FITZPATRICK,
Secretary to the Government of India,
Legislative Department.

G. C. B. Press, Simla.—No. 207 L. D.—10-7-80.—250.

Abstract of the Proceedings of the Council of the Governor General of India, assembled for the purpose of making Laws and Regulations under the provisions of the Act of Parliament 24 & 25 Vic., cap. 67.

The Council met at Government House on Friday, the 9th July, 1880.

PRESENT:

His Excellency the Viceroy and Governor General of India, K.G., P.C., G.M.S.I., *presiding.*
His Honour the Lieutenant-Governor of the Panjáb, K.C.S.I.
His Excellency the Commander-in-Chief, G.C.B., G.C.S.I., C.I.E.
The Hon'ble Sir J. Strachey, G.C.S.I., C.I.E.
General the Hon'ble Sir E. B. Johnson, R.A., K.C.B., C.I.E.
The Hon'ble Whitley Stokes, C.S.I., C.I.E.
The Hon'ble J. Gibbs, C.S.I.
The Hon'ble Sayyad Ahmad Khán Bahádur, C.S.I.
The Hon'ble B. W. Colvin.
The Hon'ble C. Grant.

PETROLEUM BILL.

The Hon'ble MR. STOKES moved for leave to introduce a Bill to regulate the importation, possession and transport of petroleum and other substances of a like nature. He said that for some time past the dangerous nature of the inflammable oils which are being imported into this country had engaged the attention of Government. In November, 1878, the notice of the Governor General in Council was first drawn to the subject by the Government of Bombay, with a view, if necessary, to legislation being resorted to to check the importation of dangerous oils. On a reference being made to the Government of Bengal as to the expediency of such legislation, it was found that the subject had already been for some time before that Government, and that a Committee had been appointed for the purpose of considering the question of these oils in all its bearings. This Committee, which was composed of officials, experts and gentlemen interested in the trade, had presented its report, in which it strongly urged the necessity for legislation, and put forward certain recommendations as to the lines on which, in its opinion, such legislation should proceed.

These recommendations followed, with certain modifications, introduced to meet the special climatic and other circumstances of India, the lines of 34 & 35 Vic., cap. 105 (since amended by 42 & 43 Vic., cap. 47), which was the principal Act governing this subject in the United Kingdom. They appeared well adapted to carry out the object which the Committee had in view, namely, practical security of life and property, with the minimum of restrictions on an important and rapidly developing trade, which had grown, from 211,000 gallons imported in 1875-76, to 1,185,000 gallons imported in about eleven months of 1878-79.

He would now state the general substance of the conclusions of the Committee :—

First, they said that all petroleum should be divided into three classes, namely,—

(*a*) first class petroleum with a flashing point at or above 103° F.;
(*b*) second class petroleum with a flashing point between 83° and 103° F.;
(*c*) dangerous petroleum with a flashing point below 83° F.

} According to Abel's close test.

Secondly, they recommended that all petroleum should be tested by Abel's close test, which had recently been adopted in the United Kingdom (see 42 & 43 Vic., cap. 47, the Petroleum Act, 1879,) for the purposes of the Petroleum Act, 1871, in preference to the old or open test which was fixed by that Act. The necessity for introducing an improved test had been recently shewn by a case which Hon'ble Members might have seen mentioned in the *Englishman* about a fortnight ago. Two American ships, freighted respectively with forty and sixty thousand cases of kerosine oil, were consigned to two firms in Calcutta. Immediately on their arrival the Police boarded the ships and secured samples of their freights which were examined by the Government Analyst, Dr. Warden, by the old or open test. The result of this gentleman's examination was that the oil was found to flash at considerably below 100°. The landing was consequently stopped, with, it was believed, great loss and inconvenience to the consignees. These gentlemen, not being satisfied with the result arrived at by Dr. Warden, placed a sample in the hands of another eminent analyst, Dr. Waldie, who, after careful testing, made out the flashing point to be 105° and, in another experiment with the same sample, 109°. The consignees then applied to the Commissioner of Police to allow the cargo to be discharged. This officer declined to comply with the application, but directed Dr. Warden to make a second analysis, which he did with a result the same as his former one. It was then thought advisable to refer the matter to a third person, Mr. Pedler, the Professor of Chemistry in the Presidency College. The result was that Mr. Pedler came to a different conclusion altogether, and

found that the oil flashed at 101° and, in a second experiment with the same sample, at 103°. The difference of opinion was, however, eventually settled and the cargo passed; but the case showed how absolutely necessary it was to introduce a more scientific system of testing these oils.

Thirdly, the Committee said that, as second class petroleum flashed only at a temperature of 83°, or 10° higher than the temperature (73°) at which petroleum was considered safe enough to be exempted from the provisions of the English Petroleum Act (sec 42 & 43 Vic., cap. 47), and might therefore be regarded as at all events fairly safe, the importation, storage and transport of such petroleum, as well as of first class petroleum, should be left reasonably free, while the importation, storage and transport of dangerous petroleum should be subjected to such severe restrictions as practically to be prohibited for purposes of ordinary use. The importation of the last-mentioned oil might of course be wholly prohibited by notification under the Sea-customs Act, section 19; but as petroleum of this class might be required for certain legitimate purposes, it was thought better to adopt the Committee's recommendation. The necessity of taking some such precautions would appear from an event which had occurred, not very long ago, in the Hugli. Six cargo-boats were conveying kerosine oil, from two American ships, *through the port*, to godowns near the Chitpore canal. On board of two of these boats an explosion and fire took place. The fire was a most serious one, lasting three or four hours; and had it not been for the fortunate concurrence of a southerly wind with an ebb tide, the consequences might have been disastrous. As it was, the sheet of flame was driven down the river and to the north shore. The ghâts and buildings of the Botanical gardens were in great danger. The jetty at the Superintendent's house was thrice on fire, and he only saved his office by bringing all his men to keep down the blaze. Two of the boatmen were missing, and two or three others were badly burnt.

The Government of India had considered this report, and was disposed to concur generally in its conclusions, and in the scheme of legislation contained in the Committee's recommendations. As the Government of Madras and the Chief Commissioner of Burma, as well as the Governments of Bombay and Bengal, were in favour of legislation, the Government of India was willing to accept the recommendation of the Committee that the legislation to be undertaken should be in the Council of the Governor General, and accordingly the present Bill, which embodied generally the recommendations of the Committee, had been prepared.

As it seemed desirable to check at once, and generally, the trade in dangerous petroleum, and it would be unfair if all ports were not put on the same footing as to the importation of first class and second class petroleum, the

provisions of the Bill relating to dangerous petroleum and the importation of first class and second class petroleum extended to the whole of India; but the other provisions of the Bill were only applicable at the discretion of the Local Government.

The details of the measure had been left in a great measure to rules to be framed by the Local Government, with the sanction of the Governor General in Council, as this seemed the most convenient course in a case of this sort, where the local circumstances and peculiar features of the trade of various places had to be considered.

The Motion was put and agreed to.

KÁZÍ BILL.

The Hon'ble SAYYAD AHMAD KHÁN moved that the Report of the Select Committee on the Bill for the appointment of persons to the office of Kází be taken into consideration.

The Motion was put and agreed to.

His Excellency THE PRESIDENT said he should like to make an observation regarding one word in the Bill. The Bill was, very properly, of a permissive character, and it conferred no official, administrative or judicial powers upon the Kázís, but it was stated in clause (*a*), section 4, of the Bill, that it was not to confer any judicial or other powers on any Kází or Náib Kází appointed thereunder. He thought it rather singular to enact that a man who was appointed should have no kind of power whatever.

The Hon'ble MR. STOKES remarked that the Bill would really only give religious or social powers.

His Excellency THE PRESIDENT supposed that, as the Kází was to be appointed by the Government, he was to have some sort of powers, social or other. He did not know whether it was worth while taking any notice of the matter, but the point struck him on looking at the clause, which seemed to imply that no power of any kind was to be conferred.

The Hon'ble MR. STOKES thought that the substitution of the words "judicial, administrative or other legal powers" would meet the objection taken by His Excellency.

His Excellency THE COMMANDER-IN-CHIEF doubted the advisability of giving legal powers under the Bill.

His Excellency THE PRESIDENT remarked that he had no objection to the adoption of Mr. Stokes' amendment, but he agreed with the Commander-in-Chief that the Bill should not confer legal powers.

The Hon'ble MR. STOKES thought that the words "judicial or administrative powers" would cover the whole ground.

His Honour THE LIEUTENANT-GOVERNOR believed that it was the intention of the Bill not to confer any powers.

The Hon'ble MR. STOKES remarked that the effect of his amendment would be to carry out that intention. Every officer in India was supposed to be either judicial or administrative, and the substitution in the clause of the word "administrative" for "other" would, he thought, quite meet the case.

After some further discussion as to whether resignation by a Kází was an administrative act, the Hon'ble MR. STOKES moved that, in clause (*a*), section 4, for the word "other" the word "administrative" be substituted.

The amendment was put and agreed to.

The Hon'ble MR. GIBBS said he might mention, with regard to this Bill, that the inconveniences of not having Kázís had been experienced on the Bombay side. In former years, before the Act, No. XI of 1864, had been passed, there were Government Kázís appointed in all the principal places in Bombay, and they were often of great use in settling small disputes which might otherwise have troubled the Magistrates or Courts. He had never been able to make out why, in that Act, there was a clean sweep made of all Kázís in the country; but it had done harm in leaving the Muhammadans without any sort of head to whom they might refer their little domestic difficulties, and this want had been much felt; and had led often to their taking the law into their own hands, and committing breaches of it. He was therefore glad to see that the present Bill had been brought in.

The Hon'ble SAYYAD AHMAD KHÁN moved that the Bill as amended be passed.

The Motion was put and agreed to.

VACCINATION BILL.

The Hon'ble SAYYAD AHMAD KHÁN moved that the Report of the Select Committee on the Bill for giving powers to prohibit the practice of inoculation, and to make the vaccination of children compulsory, in certain municipalities and cantonments, be taken into consideration.

The Motion was put and agreed to.

The Hon'ble MR. GRANT said that, as he had opposed the Bill when it was first brought before the Council, he should, perhaps, now explain why he found himself able to withdraw that opposition. He thought then, and was still of

opinion, that the preferable course, both in the interests of vaccination itself and for other weighty reasons, would have been to trust to the constant and gradual exercise of executive influence and the spread of education for removing the obstacles which impeded the progress of vaccination, rather than to risk exciting the ignorant prejudices which were always set on the alert by any attempt at compulsory legislation; and he was then able to refer to the opinions of all the Local Governments, except Burma, in support of his apprehension. He imagined, however, that any opposition which might have been anticipated from the desire to legislate had been already aroused, and that the modifications which the Select Committee had introduced into the Bill would go far to allay it.

The Select Committee had proposed three very important safeguards against any abuse of the powers which the Bill conferred. In the first place those powers could not be evoked at all except at the instance of the municipality which represented the town. Then if it happened—as it sometimes did happen—that the municipality was not strictly representative in its character, or that it was perhaps inclined to lean too much on authority, a full opportunity was afforded to the town population to send in, within a period of six weeks from the date of publication of the Bill, any objections which they might have to urge against its introduction. As the Local Governments which the Bill would affect evidently realized to the full the responsibility which would be imposed upon them, we had every reason to be assured that those preliminary safeguards would not be allowed to sink into mere formalities. And lastly, when the Bill had been formally brought into operation, a further precaution was provided against its being injudiciously worked, in the section which entrusted mainly to Native Honorary Magistrates the powers and responsibilities necessary for enforcing the Bill. The Honorary Magistracies were generally held by leading and respectable members of the town-communities, and he thought we might fairly look to them to introduce into the proceedings taken under the Act the sympathy which naturally flowed from minute local knowledge and acquaintance with the wants and feelings of the people. Perhaps, too, when by means of practical experience they had thus become alive to the advantages of the Bill, they would convey their impressions to their more ignorant neighbours, and in course of time the municipalities of Upper India would follow the enlightened example of Calcutta and Bombay. At first, perhaps, we should not be too hopeful of rapid progress, but should content ourselves with the knowledge that we had made an important advance, and should allow time to the people to follow in our footsteps.

His Honour THE LIEUTENANT-GOVERNOR said that the Bill as amended by the Select Committee had been modified to an extent which enabled him to

withdraw the opposition to it expressed by him when the measure was introduced. He had not changed his opinion that the time was not yet come for the introduction of compulsory vaccination into the Panjáb, but as the extension of the provisions of the Act would rest with the Local Governments, it seemed to him that it might be safely allowed to pass and to come into operation in places where its action was expected to be beneficial. He did not wish to extend it to any place in the Panjáb, but as it was an Act of general application he did not wish to oppose its being passed, and he trusted to its provisions to enable him to prevent its being introduced into any part of the Province over which he had the honour to preside until such time as the public mind was more fully prepared to receive such a measure.

The Hon'ble MR. GIBBS said that he had had this subject before him for some years and had introduced and passed two similar Bills while a Member of the Bombay Government. The observations which had fallen from his hon'ble friends, the Lieutenant-Governor and Mr. Grant, had been based chiefly on the alterations made by the Select Committee in the Bill, by which its introduction became optional, and also by which were provided considerable safeguards for preventing the Bill being introduced into any municipality where the people, in contradistinction to the municipality itself, were not anxious to have it. He might mention that, with regard to the city of Bombay, the matter had been taken up some ten years ago by the Bombay Association, which was composed of the principal Native gentlemen of Bombay, who met for the purpose of communicating from time to time to the Government their views on different political questions. The then President was the late Hon'ble Jagannáth Sankarset, also a Member of the Legislative Council of Bombay and a leading man among the Natives, though a very strict, indeed bigotted, Hindú; but from what he had read of the progress of vaccination in other countries he was led to suggest to the Association the propriety of considering whether compulsory vaccination would not be beneficial in Bombay, where every year large and increasing numbers of the population were cut off by small-pox. The Association asked the Government to assist them by appointing some officer, who had made vaccination his study, to advise them, and the present Sanitary Commissioner was asked by Government to undertake the task. He prepared a very able report on the subject, which was duly laid before the Association, and the result was that they passed an unanimous resolution that it was advisable that the Government should introduce a Bill for compulsory vaccination in the city of Bombay. Communication was then made to the Bombay Municipality, who unanimously approved of the proposal of the Bombay Association, and expressed their readiness to find the means for putting it into effect. This Bill was then introduced and discussed by the Bombay Council, but the then Viceroy considered

that the Council were going too far ahead, and further reports were called for. Much correspondence ensued, and it ended, in his (MR. GIBBS) having, in the year 1876-77, to re-introduce the measure into the Council; and he might mention that the only question raised at the time was as to whether the vaccination should be from arm to arm, or from animal-lymph. The Select Committee heard everything that could be said on the subject, and the result was that compulsory vaccination was to be conducted in the city of Bombay from animal-lymph. Up to the present time there had been no failure of animal-lymph, and from the latest accounts from Bombay it appeared that the Act had been working very well.

The next occasion on which he (MR. GIBBS) had to deal with the subject was that in which a petition was presented from Karáchí, in Sindh, requesting that a similar measure might be passed for the town of Karáchí, where also the deaths from small-pox were every year becoming more alarming. A Bill was accordingly introduced into the Council by him, which received the assent of the Viceroy and became law.

He mentioned those instances to show that compulsory vaccination had been introduced into large places with the perfect consent of the people concerned, and that it was in consequence of his having urged that fact very strongly in the Select Committee that some of the alterations had been made in the present Bill. Those alterations, so far as the introduction of the Act was concerned, left it wholly and solely at the will of the people affected, and he thought that, with such a safeguard, the Bill might safely be passed. He trusted that the result of its introduction into a large city like Bombay -and more especially into Karáchí, which was comparatively a small place, might lead other municipalities and towns by degrees to see the advantages of this system, and to apply for the Act to be put into force.

With regard to the Note of one of our hon'ble colleagues, not here to-day —the Rájá of Jhínd—he seemed to have overlooked or forgotten that vaccination from animal-lymph was compulsory in many European countries, where compulsion as regards this matter was not regarded in the same light as it would be in in regard to other important matters.

His Excellency THE PRESIDENT remarked that what Mr. Gibbs had said afforded very satisfactory evidence that a similar measure to that now proposed had been introduced into a large city and into very small places with success, and with the approval of the people concerned. He was glad to see that the Bill had been amended and put into the shape in which it now stood. He thought that in legislation of this kind, particularly in India, it was very desirable to proceed in a cautious and tentative manner. In England we had had for a

considerable time a Vaccination Act. There was a certain and rather increasing movement against it, and cases were cropping up from time to time in which even persons in a respectable position in life absolutely refused to comply with its provisions. He might mention a case in point which occurred within his own knowledge, that of the organist of Ripon Cathedral, who had positively refused to allow his children to be vaccinated; had been fined from time to time, had regularly paid the fines, but continued to refuse compliance with the provisions of the Act on the ground that one of his children had died, and he attributed its death to vaccination. Cases of this kind, where such feelings were evoked, required to be very carefully dealt with, and, of course, if in this country any religious feelings were aroused, there again was a very delicate matter which we should touch with a very light hand. It seemed, however, to His Excellency that the Bill as it now stood was so entirely of a permissive character, and gave such a complete opportunity to the inhabitants of each locality to state their objections, if they entertained any, that the measure itself being extremely desirable might be safely passed into law; and he thought that the Council was very much indebted to the Hon'ble Sayyad Ahmad for having taken up the question and brought to notice that in generally extending vaccination we would be conferring the greatest possible benefit upon the people of India. His Excellency was inclined to think that when the Bill was passed it might be advisable to consider, as an executive measure, whether a circular should not be issued to the Local Governments impressing upon them the necessity of proceeding very cautiously and tentatively, of strictly conforming to the intentions of the Act, and seeing that not merely the views of the municipalities, but the feelings of the populations concerned, should be carefully considered.

There was one point to which he would wish to draw the attention of the Council, namely, the amount of penalty which it was proposed to inflict for continued non-compliance with the order for vaccination. Under section 22, sub-section (*d*), of the Bill, it was provided that whoever—

"(*d*) neglects without just cause to obey an order made under section eighteen after having been previously convicted of so neglecting to obey a similar order made in respect of the same child, shall be punished as follows (that is to say) :—

* * * * * *

"in the case of the offence mentioned in clause (*d*), with imprisonment for a term which may extend to six months, or with fine which may extend to one thousand rupees, or with both."

His Excellency was not sufficiently acquainted with Indian legislation to know what was regarded as ordinary severity in this country; but he certainly thought a punishment of six months' imprisonment rather severe, and, if his memory served him right, there was no similar power taken in the

English law. You could prosecute from time to time for continued disobedience, but there was no power that he was aware of for imprisonment.

The Hon'ble MR. GIBBS explained that the section in question had been taken from the Bombay Act. It had been found necessary to put in the provision to meet some cases that had occurred, of people who did not take the trouble to observe the requirements of the law; and of others who, without any just cause, religious scruples, or any other reason, refused to obey the orders. There was a good deal of discussion on the section at the time, and it was unanimously agreed, both by the Native members of the Council and by everybody else, that the best way of meeting the difficulty was by providing for it in this way. It had been proposed that when the Magistrate gave the order, the child should be vaccinated, but no one could see how that could be done.

The Hon'ble SIR EDWIN JOHNSON was inclined to agree with the remarks of His Excellency the President, and thought that we ought not to go beyond the maximum punishment allowed by the English law.

His Excellency THE PRESIDENT remarked that his only doubt was whether six months was not a very severe punishment.

The Hon'ble MR. STOKES said that the provision in the Indian law most analogous to that now under discussion was section 291 of the Penal Code, which provided against the continuance of a nuisance after an injunction had been made to discontinue it. In that case the penalty was simple imprisonment for a term which might extend to six months, or fine, or both. Under the Bill, however, as the General Clauses Act, No. 1 of 1868, section 2, clause 18, would apply, the "imprisonment" would be either simple or rigorous.

His Excellency THE PRESIDENT thought that simple imprisonment as provided for under clause (*a*) of the section was of itself a very serious matter; but the penalty under clause (*d*), now that Mr. Stokes had pointed it out, became more severe.

The Hon'ble MR. STOKES suggested the insertion of the word "simple" before "imprisonment" in the last clause of section 22 of the Bill. That, he thought, would remove His Excellency's objection on the ground of extreme severity.

His Excellency THE PRESIDENT and the Hon'ble SAYYAD AHMAD KHÁN having agreed to the proposed amendment,—

The Hon'ble MR. STOKES moved that, in the last clause of section 22 of the Bill, the word "simple" be inserted before the word "imprisonment."

The Motion was put and agreed to.

The Hon'ble SAYYAD AHMAD KHÁN moved that the Bill as amended be passed.

The Motion was put and agreed to.

BOMBAY REVENUE JURISDICTION BILL.

The Hon'ble MR. COLVIN introduced the Bill to amend the Bombay Revenue Jurisdiction Act, 1876, and moved that it be referred to a Select Committee consisting of the Hon'ble Messrs. Stokes and Gibbs and the Mover.

The Motion was put and agreed to.

He also moved that the Bill be published in the *Bombay Government Gazette* in English, and in such other languages as the Local Government thought fit.

The Motion was put and agreed to.

ADMINISTRATOR GENERAL'S BILL.

The Hon'ble MR. STOKES introduced the Bill to exempt Pársís from certain provisions of the Administrator General's Act, 1874, and moved that it be referred to a Select Committee consisting of the Hon'ble Messrs. Colvin and Grant and the Mover.

The Hon'ble MR. GIBBS was not aware whether this was the proper time for him to offer an observation regarding the Bill, but he might perhaps be allowed to state, with regard to what his hon'ble friend Mr. Stokes had said when he asked for leave to introduce the Bill, that one difficulty which had arisen—and it was the principal one which brought the matter up—was this. It was the custom, when a Pársí died in the mufassal, for the Administrator General to move through the Police, and it was found that in one or two cases the Police had entered a house where a Pársí had died and had taken inventories of the property much to the distress of the family in the house. It was a case that took place in the Surát district which had led first of all to steps being taken for the present measure. He did not know if his hon'ble friend Mr. Stokes was aware of that circumstance.

The Hon'ble MR. STOKES said he had now heard it for the first time. It was only another illustration of what he had often found to be the case, that much of the unpopularity of the Legislative Department and its measures was due to the action of the Executive.

The Motion was put and agreed to.

The Hon'ble MR. STOKES moved that the Bill be published in the local official Gazettes in English, and in such other languages as the Local Governments thought fit.

The Motion was put and agreed to.

The Council adjourned till Friday, the 23rd July, 1880.

SIMLA;
The 9th July, 1880.

D. FITZPATRICK,
Secretary to the Government of India,
Legislative Department.

G. C. B. Press, Simla.—No. 220 L. D.—17-7-80—250.

Abstract of the Proceedings of the Council of the Governor General of India, assembled for the purpose of making Laws and Regulations under the provisions of the Act of Parliament 24 & 25 Vic., cap. 67.

The Council met at Government House on Friday, the 23rd July, 1880.

PRESENT:

His Excellency the Viceroy and Governor General of India, K.G., P.C., G.M.S.I., *presiding.*
His Excellency the Commander-in-Chief, G.C.B., G.C.S.I., C.I.E.
The Hon'ble Sir John Strachey, G.C.S.I., C.I.E.
General the Hon'ble Sir E. B. Johnson, R.A., K.C.B., C.I.E.
The Hon'ble Whitley Stokes, C.S.I., C.I.E.
The Hon'ble J. Gibbs, C.S.I.
The Hon'ble C. U. Aitchison, LL.D., C.S.I.
The Hon'ble B. W. Colvin.
The Hon'ble C. Grant.

PETROLEUM BILL.

The Hon'ble MR. STOKES introduced the Bill to regulate the importation, possession and transport of petroleum and other substances of a like nature. He said that a section had been added to the Bill corresponding with section 14 of 34 & 35 Vic., Cap. 105, enabling the Governor General in Council hereafter to extend the Act to substances other than petroleum, and to adapt certain of the provisions of the Act to the case of such substances.

The schedule to the Bill contained a description of Professor Abel's test, and was identical with the first schedule to 42 & 43 Vic., Cap. 47, save that it supplied an accidental but serious omission in the English law. When the oil to be tested had been placed in the petroleum cup, the schedule directed that the lid of the cup, with the slide closed, should be put on, and the cup be placed in the bath or heating vessel. The test-lamp was then placed on the lid of the cup, a pendulum was set in motion, and when the temperature had reached about 66° the test-flame was applied (once for every rise of one degree) by drawing the slide slowly open and thus exposing the vapour of the oil to the flame of the lamp while the pendulum performed three oscillations. As a short pendulum would oscillate in a given time much more frequently than a long one, it was obvious that the time thus indicated depended on the length of the pendulum. But this essential detail was omitted from

the English schedule. We had been informed by Mr. Pedler, the Professor of Chemistry in the Presidency College, Calcutta, that the proper length of the pendulum was two feet from the point of suspension to the centre of gravity of the weight, and a footnote to this effect had accordingly been inserted in the schedule to the Bill.

He had only to add that the opportunity would be taken to repeal the thirty-seventh section of the Indian Ports Act relating to inflammable oils, and Bengal Act No. III of 1865, which regulated in Calcutta and Howrah the importation and storage of inflammable oils, as the present Bill would make those enactments unnecessary.

The Hon'ble MR. STOKES also moved that the Bill be referred to a Select Committee consisting of the Hon'ble Messrs. Gibbs, Aitchison and Colvin and the Mover.

The Motion was put and agreed to.

The Hon'ble MR. STOKES also moved that the Bill be published in the local official Gazettes in English, and in such other languages as the Local Governments thought fit.

The Motion was put and agreed to.

CENTRAL PROVINCES LAND-REVENUE BILL.

The Hon'ble MR. GRANT moved that the Bill to consolidate and amend the law relating to land-revenue and the jurisdiction of Revenue-officers in the Central Provinces be referred to a Select Committee consisting of the Hon'ble Messrs. Stokes, Aitchison and Colvin and the Mover.

The Motion was put and agreed to.

The Hon'ble MR. GRANT also moved that the Bill be published in the *Central Provinces Gazette* in English, and in such other languages as the Local Government thought fit.

The Motion was put and agreed to.

TÁJ MAHAL'S PENSION BILL.

The Hon'ble MR. COLVIN moved for leave to introduce a Bill for the determination of claims to certain pensions in Oudh. He said that the Bill was in the nature of a private Bill, and that, in order to make the object of it intelligible to the Council, he must give a brief sketch of the facts out of which the necessity for legislation had arisen.

In the year 1829 the East India Company accepted a loan of Sikka Rs. 62,40,000 from the King of Oudh. It was agreed that interest should be paid upon this sum at the rate of five per cent. per annum to certain persons during life in specified proportions. One of these persons, known as Nawáb Táj Mahal, was one of the King's wives, and the portion of the interest assigned to her was Rs. 6,000 per mensem. It was further stipulated by article 4 of the treaty that upon the death of any of the said pensioners, leaving an heir or heirs, the English Government might continue, as before, the pension to the heirs of the deceased, or make over to them the principal sum proportionate to the pension in question according to the rate before mentioned.

In the year 1847, after the death of her first husband, the King of Oudh, Nawáb Táj Mahal was said to have married one Sayyad Kalb Hossein, and to have had two daughters by this second marriage. Of those two daughters, it appears that one died young and without children. The other, known as the Muzhara Begam, was alleged to have married a relation of her step-father's, and to have had by him a daughter, who was now alive. This young lady, who was known as Kulsumnissa Begam and also as Shamsunnissa Begam, was now living in the neighbourhood of Baghdád, to which place her grandmother Táj Mahal migrated with all her family after the troubles of 1857, in order to pass the remainder of her life near the sacred shrine of Karbalá.

As long as Nawáb Táj Mahal lived, the interest due under the treaty was paid to her. But in 1875 she died, and upon her death disputes arose regarding the right to succeed her. The first of those disputes was between Kulsumnissa Begam and a claimant named Ramzán Alí, who is stated to have been a brother of Nawáb Táj Mahal's. This dispute was brought before the Court of the Civil Judge of Lucknow. The suit was decided in favour of Begam Kulsumnissa, and on appeal the decision of the Court of first instance was affirmed. The ordinary term for preferring a further appeal from the Superior Court in Lucknow had now elapsed, but as the Privy Council could, if good and sufficient cause were shown, admit an appeal after that period, it could not be said that the litigation even in respect of this first claim had yet been finally closed. But the claims to Nawáb Táj Mahal's succession were not confined to those made by these two litigants. Other persons had come forward with allegations to the effect that Begam Kulsumnissa was not Nawáb Táj Mahal's grand-daughter, and had advanced claims hostile to hers. So far as Mr. Colvin was aware, no judicial decision had yet been pronounced on those claims. It was possible that other persons as yet unknown might come forward hereafter, for the family was so scattered, and the facts connected with its history so obscure, that there was no saying from what quarter a claimant might not appear. This being the case, the final determination of the issues

affecting the right of succession to Nawáb Táj Mahal could not be reached until after the last of those actual and possible suits had been decided by the last Court into which an appeal could be carried. The difficulty of a final adjudication was increased by the fact that Begam Kulsumnissa, who had been the first, if she was not the best, claimant, was a female; that she was, or had been till very lately, a minor; and that she was living in Turkish Arabia, at a great distance from the Courts by which the claims to the money in dispute must be ultimately determined. There was every prospect, therefore, of great delay, and it was scarcely necessary to explain that such delay was extremely inconvenient to all the parties concerned. The Government of India could not, in common prudence, and with due regard to the public purse, pay away money to a person who might possibly be declared afterwards to have had no right to it; it must have a reasonable assurance that the person claiming payment was entitled to receive it. As soon as such assurance was given it would be the interest of the Government to release itself from its present obligations under the treaty as quickly as possible, because it was paying at present a higher rate of interest than would otherwise be necessary upon a sum of £140,000 or £150,000, which represented the portion of the King of Oudh's loan that had been allotted to Nawáb Táj Mahal. Again, it was most desirable, in the interest of the rightful heir of Nawáb Táj Mahal,—whoever that might be,—that such indefinite claims as he had described should not be kept hanging over his or her head for an uncertain period, during which the heir might be put to great inconvenience by being kept out of possession of this very considerable sum of money. It would be plain, however, from what he had said, that, as things stood, there was no possible solution of the difficulties which hindered a speedy settlement of the question, and no possible relief for the parties concerned, unless legislation were resorted to.

The Bill which he was now asking for leave to introduce was intended to remove the difficulties and to afford that relief. It would provide, if introduced, for due notice being given, on application made, to all persons claiming to have a better right than the applicant to succeed to Nawáb Táj Mahal's rights under the treaty, directing them to come forward, and make good their claims, if they could. Upon any one of those persons establishing his claim, a certificate would be issued which would entitle such claimant to receive payment, and at the same time would secure to the Government complete indemnity for all payments made to the person holding it. The rights of third parties against certificate-holders would be carefully guarded, and any previous decisions affecting the right to succeed Nawáb Táj Mahal, which might have already been made by a competent Court, would of course not be interfered with. Power would also be given to the Government to relieve itself immediately of the payment of interest at 5 per cent. The Government,

under the terms of the treaty, was entitled at any time to pay off the principal of its debt, and would doubtless do so at once, if any person could be found competent to give a valid receipt for the money paid. It was not reasonable that it should be hindered in the exercise of this undoubted right by the disputes which had arisen among the members of its creditor's family.

There was only one other point on which explanation was necessary. The Bill which he was asking for leave to introduce was described in the list of business as a Bill for the determination of claims to certain pensions in Oudh. There were certain other pensions besides this of Nawáb Táj Mahal's which were payable in Oudh, and it was at first thought that it would be advantageous to extend the procedure which he had described so as to include them. On closer examination, however, it had been found that there were no sufficient reasons to provide for them in the legislation which was now proposed. The Bill therefore would be limited to Nawáb Táj Mahal's pension only (if he was right in calling it a pension), and he proposed that the title should be amended accordingly and that it should be read as a "Bill to provide for the determination of claims to Táj Mahal's pension."

The Motion, in which the title of the Bill was altered as proposed, was then put and agreed to.

The Council adjourned to Friday, the 6th August, 1880.

SIMLA;
The 23rd July, 1880.

D. FITZPATRICK,
Secretary to the Government of India,
Legislative Department.

G. C. B. Press, Simla.—No. 256 L. D.—2-8-80.—250.

Abstract of the Proceedings of the Council of the Governor General of India, assembled for the purpose of making Laws and Regulations under the provisions of the Act of Parliament 24 & 25 Vic., cap. 67.

The Council met at Government House on Friday, the 6th August, 1880.

PRESENT:

His Excellency the Viceroy and Governor General of India, K.G., P.C., G.M.S.I., *presiding.*
His Honour the Lieutenant-Governor of the Panjáb, K.C.S.I.
His Excellency the Commander-in-Chief, G.C.B., G.C.S.I., C.I.E.
The Hon'ble Sir J. Strachey, G.C.S.I., C.I.E.
General the Hon'ble Sir E. B. Johnson, R.A., K.C.B., C.I.E.
The Hon'ble Whitley Stokes, C.S.I., C.I.E.
The Hon'ble J. Gibbs, C.S.I.
The Hon'ble C. U. Aitchison, LL.D., C.S.I.
The Hon'ble B. W. Colvin.
The Hon'ble C. Grant.

TÁJ MAHAL'S PENSION BILL.

The Hon'ble MR. COLVIN introduced the Bill for the determination of claims to Táj Mahal's pension, and moved that it be referred to a Select Committee consisting of the Hon'ble Messrs. Stokes and Aitchison and the Mover.

The Motion was put and agreed to.

The Hon'ble MR. COLVIN also moved that the Bill be published in the *Government Gazette, North-Western Provinces and Oudh*, in English and in such other languages as the Local Government thought fit.

The Motion was put and agreed to.

CENTRAL PROVINCES TENANCY BILL.

The Hon'ble MR. GRANT introduced the Bill to consolidate and amend the law relating to agricultural tenancies in the Central Provinces, and moved that it be referred to a Select Committee consisting of the Hon'ble Messrs. Stokes, Aitchison and Colvin and the Mover. He said that in the exposition of a Tenancy Bill, it was scarcely possible to avoid trespassing on some of the most uncertain and bitterly contested questions of Indian Revenue History. The

landlord—at any rate in his present form—was our own creation, and the standard which we had in view in shaping him—that of the free European proprietor—involved the concession to him of rights and privileges to which most of his class could never have aspired under Native rule; and which it was only possible to grant to him at the cost of some sacrifice of other interests. The State deliberately abandoned many of its rights, limiting its demand, lengthening its leases, and resigning its power of resumption, in order to build up a proprietary class. In the words of Thomason, the father of the Upper Indian Revenue system—"It is the true interest of the Government to limit the demand to what is just, so as to create a valuable property in the land and encourage its improvement."

But though this generous ideal had never been lost sight of—perhaps, indeed, because it had been too exclusively kept in mind—there had been times when the proprietary position had been fostered, not only by the concession of State-rights, but also in the opposite direction, by unconscious acquiescence in encroachments on the ancient rights of the cultivating peasantry. The first great example of an oscillation of our revenue-policy towards landlordism was in the famous Permanent Settlement of Bengal, when Lord Cornwallis, whilst investing the newly-created proprietary class with privileges before, and indeed since, unexampled, set down their tenantry as entitled to no rights which they could not acquire from them by contract. But what between the cautious spirit of compromise, in which the Regulations, embodying Lord Cornwallis' Settlement, were framed, and the protection which cultivators owed to the then great demand for them, they remained for long almost unaffected by the pressure of the new system. Indeed, in Upper India an almost democratic sentiment grew up in favour of the tillers of the soil as against the mere consumers of the produce. In the words of Mr. Mertins Bird—

"Many persons hesitate not to take for granted the rights of Zamíndárs and Talukdárs, and all the host of unproductives, of whom, till our Government called them into existence, and associated with them all the ideas of landed property which prevail in our country, no trace was ever found in any authentic record but as executive officers of Government * * * * Our Government is bound to maintain that right of the raiyat, which boasts a far higher origin, and stands on a far firmer foundation."

It was not, Mr. Grant believed, until after the disturbances of 1857 that an opposite wave of feeling gathered strength enough again to turn the scale in favour of landlords. The almost universal manifestation of anarchy, as soon as the pressure of authority was momentarily relaxed, was attributed by many to the leaderless condition of the people, which left them a prey to the persuasions of every petty adventurer, and from the famine experiences of 1860-61 was derived the further argument that, without a strong proprietary class, it was impossible to oppose efficiently organised resistance to general distress and starva-

tion. He did not mean to say that these theories were allowed—consciously at any rate—to affect the principles on which the great rent-law of the time, Act No. X of 1859, was framed. That was essentially a measure intended to benefit the raiyat. It was described by one of its strongest supporters, Mr. Harington, as seeking "the greatest happiness of the greatest number," and, in conveying his assent to it, Lord Canning styled it—

"a real and earnest endeavour to improve the position of the raiyats of Bengal, and to open to them a prospect of freedom and independence which they had not hitherto enjoyed, by clearly defining their rights and by placing restrictions on the powers of the Zamíndárs, such as ought long since to have been provided."

But the Act was primarily devised for Bengal, in which proprietors had attained a far stronger relative position than in Upper India; and there it undoubtedly served to check abuses almost, if not quite, unknown elsewhere. And whatever may have been the feeling of its framers, it may be questioned whether the prevailing state of public opinion did not create a tendency to apply the new law in a spirit tinged with Western ideas of proprietorship. In his judgment in the leading case of *Thákuráni Dási*, Sir Barnes Peacock spoke of the tenant's possession as "from the first a possession with the consent of the landlord," and as "permissive only, however long it may continue"; and he went on to remark how much it would surprise English landowners to find themselves subjected to such restrictions as the Act would impose on them in favour of tenants, thus clearly showing that he made little or no distinction between the tenures of the East, which had grown up by custom, and the tenancies of the West, which had their origin in contract. Similarly, one of the best known text-books of the time on the Law of Landlord and Tenant in the Bengal Presidency commenced with the words:—

"The relation of landlord and tenant arises from a contract, express or implied."

Now, as Mr. Jones in his (MR. GRANT'S) opinion very conclusively showed in his Note printed as Paper No. 2, it argued an entire misconception of the relative position of headman and cultivator, in the pre-British era, to assume that the tenant's "status could be defined in terms of a contract to which he and the headman were sole parties * * * * . In reality there was a third party privy to the contract (if, indeed, it could rightly be termed a contract), namely, the State." The headman was in fact no more than a *primus inter pares*, all paying alike their quota of revenue to the State; with no temptation to enhance the demand on them, because all enhancements benefited the State and the State alone; and with little inducement to eject, because the main motive to ejectment, namely, the hope of increasing his receipts by it, did not exist for him; and because it was as much his own interest, as it was part of his engagement with the Government, to keep together those who shared with him the weight of the public burdens.

Now Act No. X of 1859 not only contained several provisions directly injurious to the cultivating class—such, for instance, as the increased facilities which it afforded for enhancing rents, but, (again to quote Mr. Jones)—

"with the inevitable tendency of written, to drive out unwritten, law, it spread among all ranks of officers in the Province a more or less definite impression that it was not very necessary to enquire what right tenants had before its introduction, and that they could have no rights except those which it recognizes.

"An Act which was intended to confer rights on tenants was construed as if it had demolished rights which before its introduction they possessed."

As Mr. Grant had explained, in asking leave to introduce this and the Land-revenue Bill, the position of an established cultivator in the Central Provinces, before the award of proprietary right at the recent settlements and the introduction of Act No. X of 1859, was almost as secure as it was undoubtedly easy. Tradition was in his favour, because he had borne the burden of a not yet forgotten day on almost equal terms with the village-farmer; authority was in his favour, because its object was to secure the Government revenue by establishing a strong resident tenantry; and he had not even to contend against the ideal held out by that tempting phrase "the magic of property," for property in land, in the English sense, was then unknown in the Central Provinces.

Since then the struggle had been intensified to him by the general definition of tenures, which had not only widened the gulf between landlord and tenant, but had dispelled the doubtful atmosphere of custom, and had opened out to landholders clear paths for the assertion of their rights. In so far as our own acts had ignored the traditional relations to each other of the agricultural classes, it might not be too late to restore—partially at any rate—the balance, but it was to be feared that the substitution of sharp and easily-wielded rules for a custom, not only in itself so indefinite as to be embarrassing to free movement, but jealously guarded by authority, could not but place the more ignorant classes at a disadvantage in their relations with persons better qualified to see and seize the benefits held out by the law; and no legislation could restore to the peasantry the vantage-ground which they had long owed to their comparatively small numbers and to the consequent demand for their services.

The points in which the present Bill sought to redress the inequalities and supply the deficiencies of the existing law would be best explained in commenting on the appropriate sections in detail. In all that had been proposed it had been necessary to remember that proprietary rights having been conferred, rightly or wrongly, we were no better entitled to nullify them by indirect encroachments, than to confiscate them openly, even if it were good policy, after subjecting the land to the drawbacks inherent in a Western system of

land-tenure, to give up the undoubted advantages which it promised, such as its simplicity, the impulse which it gave to cultivation, and the facilities which it afforded for orderly and systematic administration. No universal creation of occupancy-rights would, therefore, now be expedient; and indeed it might be that so sweeping a measure would go beyond the just claims of the cultivating classes, for probably at all times, certainly under the Marátha rule, headmen had considerable influence, if not always direct power, and the authority which they justly had, and should have, would be paralysed under our inelastic system, by conferring practical independence of them on the whole village-community. All that we could now hope for was, by a compromise here and an adjustment there, to introduce into the fabric, which we had raised up, something as nearly as possible approaching to the equilibrium which self-protection tended to maintain when all classes of villagers were obliged to band themselves together against the crushing pressure of despotism. The points for which a system of reasonable protection to the cultivator might properly provide were—

(1) sufficiency of notice before ejectment;

(2) compensation for improvements;

(3) closer assimilation of the rules for retaining occupancy-right to ancient customary practice; and

(4) security against harassing enhancements of rent.

As would be seen from the remarks on the leading provisions of the Bill, which he would then proceed to offer, each of these questions had been considered in its appropriate place.

The first section to which he need draw the attention of the Council was No. 10. The section was based on section 9 of the North-Western Provinces Rent Bill of 1880, which was an amendment on section 23 of the North-Western Provinces Land-revenue Act of 1873. It provided that, when the Government revenue was remitted or suspended on account of drought or other natural calamity, the Local Government might take means to ensure to the actual cultivators of the soil their fair share in the indulgence granted, by directing that tenants might plead the damage to their crops in answer to suits for rent, and that the Courts might grant them relief accordingly. The North-Western Provinces Act went further, and extended the boon to all tenants, whether they sought it or not; but so wide a measure of relief would involve an immediate field-to-field examination on a very minute scale, which, with the limited staff and the extensive areas of the Central Provinces, would sometimes be very difficult to undertake.

The twelfth section of the Bill imposed certain restrictions on freedom of contract as between landlords and tenants in the Chánda and Nimár districts; and, as in other parts of the Bill similar peculiar provisions with regard to these two districts, and to the district of Sambalpúr, would be found, he might as well avail himself of the first appearance in the Bill of anything of the kind to explain briefly why these districts should be regarded as needing exceptional treatment. Chánda and Nimár were two of the western border-districts of the Central Provinces. Nimár was only added to the Province in 1861, and until then was under an entirely separate and peculiar revenue-administration. Chánda was a thinly inhabited outlying tract, in which land-tenures were still in a very rudimentary condition when the settlements were undertaken. Many authorities considered that a raiyatwárí settlement, somewhat on the Bombay model, would have been the most suitable system in both districts, but, even before the creation of the Central Provinces, a proprietary settlement had been determined upon, in the case of the Nágpur Province (including Chánda) by the Governor General in 1860, in the case of Nimár by the Government of the North-Western Provinces so far back as 1847, and, when opinion began to turn towards a raiyatwárí settlement, we had gone too far in the opposite direction to reverse our policy. It was not, however, too late to modify it, in a sense favourable to the cultivating body, by introducing into the settlement conditions preserving as far as possible their ancient privileges, and accordingly it had been determined that—

"the tenure of all cultivators should be a fixed and permanent one so long as the revenue or rent was paid, and that the payments should, as a general rule, not be liable to enhancement except at the time of settlement."

Various other principles were laid down, of which he need only notice here, in order to explain the first part of this section, the rule regarding waste, which was that resident cultivators, that was to say cultivators of three years' standing, were entitled, when taking up waste-land with the consent of the proprietor, to hold it at certain rates fixed at the time of settlement.

In the Sambalpúr district, the relative positions of headman and cultivator approached even less nearly than in Chánda and Nimár to the ordinary conception of landlord and tenant. The *Gaontias*, or headmen, not having attained anything approaching to a proprietary status under the Native Government which had preceded our rule, their privileges had been sufficiently maintained by the allowance to them, free of assessment, of the land occupied by their home-farms, and by certain powers of control over the village-community, in return for which they would continue to be responsible for the collection of the revenue and other duties attaching to their office. In so far as these privileges fell short

of the proprietary status, the rights of cultivators were correspondingly enlarged; and the Sambalpúr raiyats would practically enjoy fixity of tenure subject to payment of a fixed rent.

In sections 17-22 would be found defined the landlord's lien on the produce of a tenant's holding. This was Mr. Jones' substitute for the right of distraint of the tenant's standing crops, which was generally throughout Northern India conceded to the landlord for the security of his rents. Briefly described, the system provided for in these sections was as follows. An attachment of standing crops made in execution of a landlord's decree had priority, in respect of arrears of rent falling due within the twelve months immediately preceding such attachment, over all other attachments and assignments; and if the landlord chose to apply for attachment even before judgment, within the fourteen days next after the date on which an instalment of rent fell due, the Courts were bound to make the attachment and maintain it up to judgment, in order to prevent the produce from being removed or assigned away, and thus to put the landlord in a position to assert his right of priority as soon as he had obtained a decree in his favour. There were also other ancillary provisions to prevent the sale of such produce after attachment by creditors other than the landlord, and before the landlord's prior claim was satisfied.

This system was advocated by Mr. Jones on the ground that—

"while the power of distraint is always liable to great abuse, it is peculiarly dangerous in the Central Provinces, where landlords are strong and tenants weak, and where anything like combined action among tenants in defence of their rights is unknown; second, that, as experience conclusively shows, it can be safely dispensed with. Distraint is practically, I might perhaps say entirely, unknown in these Provinces, yet no málguzár complains that his rents are insecure."

To this reasoning it had been objected that—

"the distraint-sections operate as a penalty. It is no argument against the maintenance of a penalty that it is seldom enforced. Distraint is seldom used, but the landlord knows that he can use it, and, if the tenant will not pay, he does use it."

MR. GRANT'S own opinion so far was in favour of these sections. They were much simpler and less likely to sanction oppression than the corresponding power of distraint, which indeed was never used, so far as he was aware, in the Central Provinces. Enquiries were however now being made in the Central Provinces, and the Chief Commissioner would no doubt be able to advise further on the subject when the Bill was sent to him for report.

His Excellency THE PRESIDENT inquired whether, under those sections, the landlord had to apply to the Court before he could attach the crops.

The Hon'ble MR. GRANT replied that under section 18 the landlord could only apply for attachment in execution of a decree; and that under section 22 he could only apply after institution of a suit. In either case the intervention of a Court would be necessary.

He then continued. In sections 39 to 44 (inclusive) was set forth the proposed manner of dealing with improvements made by tenants and compensation therefor. These sections proceeded in the main on the principles of the English "Agricultural Holdings Act," allowing, of course, for the peculiarities of Indian tenures, and for the great difference in the agricultural development of the two countries. Improvements were divided into two classes only, instead of into three, as in the English Act; and, in respect of the first class, landlords were given a preferential right to improve, except in land held by the specially privileged kinds of occupancy-tenants. As no occupancy-rights could accrue in the landlord's *sir* or home-farm, compensation would not be claimable for improvements executed by tenants on such lands without the express consent of the landlord.

As "by the custom of the country," to quote the Commentary on the Bill, "improving tenants retained the right to improvements after they lost the land on which they were made, * * * the power conferred on tenants by section 23 is a necessary and equitable equivalent for the abolition of an ancient and universal, but most inconvenient, custom."

Section 56, which provided that even an ordinary tenant should be entitled to six months' notice before ejectment, would be a very important safeguard against arbitrary evictions. The term "ordinary tenant" (he explained) had been substituted throughout this Bill for the old misleading expression "tenant-at-will." Equity and the custom of the country always secured tenants against sudden ejectment whilst their crops were on the ground; and therefore they were not in the proper sense of the term tenants-at-will. Mr. Jones' explanation of this provision might here be suitably quoted. He said,—

"the six months' notice is intended to give the tenant ample time to contest the ejectment, and to permit of any proceedings taken by him being terminated before the end of the agricultural year. In the Agricultural Holdings Bill, a year's notice is provided, and Mr. Gladstone once declared that a two years' notice was really required. In India, with all the tradition in favour of the right of the tenant to remain on his land, six months' notice is little enough."

His Excellency THE PRESIDENT presumed that under the old system an ordinary tenant could be turned out without any notice at all.

The Hon'ble MR. GRANT replied that in one part of the Province it was held that he could; in another that notice was required—a notice of about three months.

He continued. In passing on to section 58, we came upon more uncertain ground. As would be seen, this section practically created a new class of privileged tenants, intermediate between ordinary tenants and tenants who had acquired a right of occupancy by twelve years' continuous possession. Thus, any resident cultivator of five years' standing on whom a notice of ejectment had been served might, provided that he had not in that year, or in either of the two years next preceding, received from his landlord any assistance in his cultivation, apply for an order of protection from ejectment, and the Court to which he applied must grant the order, "unless the landlord satisfies it that hardship will be caused thereby." He (MR. GRANT) felt that he was himself to some degree responsible for these provisions; for he had proposed that the standard of rights of occupancy should be reduced from twelve years' occupation to five, and Mr. Jones, though unable to go so far with MR. GRANT, had adopted the plan above described "as a reasonable and equitable compromise between the rights of landlord and tenant."

MR. GRANT had therefore the less hesitation in saying that he thought these sections should be very carefully considered by the Special Committee. It was true that they would not convert the protected tenant into an occupancy-tenant, for he could not sublet, and, if he died, such rights as he had acquired would expire with him. But they would create a new class of privileged tenants, and so not only trench materially on the gift of proprietary right, but would further complicate the already complicated tenure of land. A vigorous exposition of the evils which they might occasion would be found in Mr. Crosthwaite's Note, which had been printed as Paper No. 4 to the Bill.

MR. GRANT then passed on to the important question of rents. He said that, in the determination of rents of ordinary tenants, the Courts would not, as a rule, interfere. By the old law (Act No. X of 1859, section 13) landlords were empowered to serve a notice of enhancement on such tenants in the Spring; and unless they did so, they could not recover from the tenant any higher rent than he had paid in the preceding year. But in the next section the tenant was authorized to contest his liability to pay enhanced rent in defending any suit brought against him to recover it, and thus the Courts were placed in the anomalous position of determining the rent of a tenant who could only retain his tenancy with the landlord's consent. The notice of enhancement was further open to the objection that it was often regarded by the tenant as an order of Court, and, secondly, that it tempted tenants, who had no hope of being able to pay the rent demanded, to remain on in the delusive hope of being able to contest it successfully. In the present Bill landlords and tenants would be left to settle rents between themselves. But if the landlord wished to enhance, he must come to terms, or

else serve a notice of ejectment, before December, so that both parties would be brought face to face with their position in good time, and harassing litigation would be avoided.

The Courts would only intervene when it happened that a tenant had been allowed to take up land without any stipulation regarding rent, and, it being the first year of his tenancy, no test of the amount properly payable could be sought in the previous demand, or when the holding of a tenant had been diminished, by diluvion or otherwise, during the year of tenancy.

To complete the subject of rent he must here go on to sections 86 to 93, which regulated the rents of tenants with rights of occupancy, passing over, for the moment, those of the intermediate sections which needed consideration.

It had been found impossible to devise any new and satisfactory standard for the fixation of occupancy-rents. In some cases the average rent-rates, calculated by the Settlement-officer to aid him in assessing the land-revenue, might also be of service in determining rents at a subsequent period, and, accordingly, the Courts had been empowered to take them into account for the purpose. Where these rates were inapplicable, as they often would be, owing either to their being of too general a character, or to their having been superseded by the progress of events, we must fall back on the customary rates paid for similar land in the neighbourhood by tenants of the same class. This, of course, always must be a somewhat laborious and intricate process ; but it would only take place once for all during the term of the settlement. After that, suits for enhancement or abatement would be entertained only on the ground that the value of produce, or the productive power of the land, had changed, or (in the case of enhancement) that the rent was originally fixed below the proper amount for some reason which had ceased to exist. He (MR. GRANT) omitted here the case of alteration of rent on account of alluvion, for that would not amount to enhancement on the existing holding, but would really be an addition to the rent on account of an increment to the land ; and a similar remark would apply to cases of abatement for diluvion. It was only necessary to add that, much objection having been made to allowing enhancement on account of increase in the value of produce, owing to the practical difficulties which had been found in working the rule, it had been provided that this plea for enhancement should only be permitted when the Chief Commissioner made a special direction in that behalf. The effect would, it was hoped, be to obviate any need for intricate statistical enquiries in each case. The idea was that such investigations should be made once for all by the Chief Commissioner when he promulgated the rule. By this means the chief objection to this ground of enhancement would be removed ; and it seemed indispensable to retain the rule in a hitherto backward but now advanc-

ing tract of country such as the Central Provinces. Indeed, even in the North-Western Provinces, though it was excluded in the first draft of the Bill relating to those Provinces, and at first condemned in debate, it was eventually incorporated into the law.

MR. GRANT said he must now revert to the seventy-fourth section, to explain the position and privileges of absolute occupancy-tenants. This class had been originally recruited from among cultivators having exceptional claims to remain on, and enjoy the produce of, their holdings, whether owing to unusually long occupation, or connection with the person selected as proprietor, or execution of works of improvement, or former possession of the village as farmers. At the time of settlement, when tenants having such claims as these were separately classed, it was anticipated that provision for their rights would shortly be made in the law; but, as that expectation had not been realized, express recognition of their privileges had been made one of the conditions of settlement. The chief distinctive rights then conferred upon them were fixity of rent for the term of settlement, and the power of alienation. The former they would retain, except when there had been a change in the productive power of their land, caused by or at the expense of the landlord. The object of this exception would be obvious. If the landlord were debarred from obtaining increased rent in return for improvements effected by him, his main inducement for outlay on the land would be removed. As to the power of transfer, it had been found to be a positive disadvantage in many cases to the tenant. To quote Mr. Jones—

"absolute occupancy-tenants have used the power of transfer chiefly to get into debt; the Civil Courts have laid hands on tenures possessing a saleable quality; and, above all, landlords have shown a disposition to get this class of tenants into their power, in order to purchase out their rights."

As the status of these absolute occupancy-tenants had not yet been validated by legislation, the opportunity had been taken, in giving it for the first time legal definition, to abrogate the exercise in future of this somewhat anomalous right, making due provision, of course, to save all transfers or mortgages already effected under it.

His Excellency THE PRESIDENT inquired if the sections as they stood pervented mortgages.

The Hon'ble MR. GRANT replied that under section 82 transfers and mortgages were placed on the same footing. That was to say, they could only be made to the person to whom the right of occupancy would descend at the death of the tenant.

Sections 76 and 77 were intended to provide against a very real hardship which resulted from a change in the law made by Act No. X of 1859. In the North-Western Provinces, including the Saugor and Nerbudda territories, Revenue Courts were only authorized to entertain suits for ejectment in the case of cultivators who had not held their fields, or, by well-established usage, *other fields of equal value*, for twelve years. These sections provided that, when there was a custom of redistribution, a tenant might acquire or retain occupancy-right, notwithstanding such redistribution, and that, even if there was no such custom, a tenant might retain occupancy-right when he exchanged lands presumably with the consent of the landlord. A somewhat similar provision was even now in force in the Chhattísgarh Division of the Central Provinces, as part of the compact with the Government under which landholders owned their estates; and its general reintroduction would be a return to the ancient custom of the country.

Lastly, MR. GRANT offered some explanation of the judicial machinery by which the provisions of the Bill would be put into force. It would be observed that jurisdiction, in all matters which could be brought to the test of a judicial enquiry, was left to the Civil Courts. In this respect there was a departure from the system obtaining under Act No. X of 1859, and still observed in the North-Western Provinces. But the reasons, which elsewhere justified the relegation of suits between landlords and tenants to special Revenue Courts, did not obtain in Provinces organized on the so-called "Non-Regulation" system. In the Central Provinces, and other Provinces similarly constituted, the executive administration and civil jurisdiction were vested in one and the same body of officials; and there was no distinction, except in name, between the procedure of an officer on the "revenue" or "civil" side. Both classes of suits were tried with equal promptitude; and all Civil Judges, having had a revenue training, and being liable to, even if not actually engaged in, revenue-duties, possessed the special knowledge and the particular aptitude requisite for dealing successfully with litigation of a kind in which simplicity of treatment should always be a prominent characteristic. Even where circumstances had made the double jurisdiction necessary, it had always been difficult in practice to draw the line between civil and revenue suits; and, as Mr. Jones had pointed out,—

"the hundreds and thousands of rulings which have been given on the question, prove that no one has yet succeeded in separating them in a complete and satisfactory manner."

In the Central Provinces the existing system had always been considered an anomaly, and, but that the highest Court of appeal was fully alive to its absurdities in practice, and took all possible steps allowed by the law to obviate them, litigants might, after having to defend their suits through a series of Revenue Courts, have found themselves exposed to a fresh

course of litigation in Civil Courts, before the same Judges, and under practically the same procedure. The Bill now before the Council abolished this artificial distinction between so-called Civil and Revenue Courts, providing, however, two simple safeguards in order to prevent rent-litigation from falling into the hands of Judges not trained in revenue-administration. In section 100, clause (*a*), it was provided that—

"no Civil Judge shall hear any suit under this Act in his capacity of a Court of first instance, unless he is also a Revenue-officer or a Settlement-officer;"

and in clause (*b*) power was reserved to the Local Government to declare that particular classes of suits under this Bill might be tried by particular Courts, and not otherwise.

MR. GRANT might add that, in making this change, we should only be following the example of the Panjáb, where the constitution of the Courts was in essentials the same as in the Central Provinces, and that, even in Bengal, where there was a separate judicial service, a similar system had been generally adopted.

MR. GRANT hoped that these explanations would be sufficient at the present stage of the proceedings. In seeking to devise a Code of agricultural law for a country in which agriculture was the life and the breath of the people, the framers of the Bill had not been unmindful of the vast importance, for good or for evil, even of the pettiest details; but they could scarcely hope to have been entirely successful in the attempt to adapt fixed rules to a rapidly-changing state of society, and to satisfy all the various interests which the inevitable substitution of competition for custom had forced into conflict with each other. The difficulty of the task had been enhanced by the hopelessness of obtaining real assistance from the classes which would be affected by the law. Legislation of this kind was almost like prescribing for a dumb patient—there was nothing to guide us but external symptoms; and, however anxiously they might be watched, we could not but know that all our treatment was merely empirical. Out of the silence of public opinion one sentiment alone had persistently and unmistakeably made itself heard, and that was, that abrupt and sweeping changes were feared, no less than disliked; indeed, that many would rather "bear those ills they have, than fly to others that they know not of." Even, then, if we were not forced by ignorance to feel our way, we should, in deference to these feelings, shun heroic remedies; and in this doctrine must be sought the justification of the Bill, in so far as it might appear to place caution and compromise above symmetry and vigour.

The Motion was put and agreed to.

The Hon'ble MR. GRANT also moved that the Bill be published in the *Central Provinces Gazette* in English and in such other languages as the Local Government thought fit.

The Motion was put and agreed to.

PRESIDENCY SMALL CAUSES COURTS BILL.

The Hon'ble MR. STOKES asked leave to postpone the motion for leave to introduce a Bill to consolidate and amend the law relating to the Courts of Small Causes established in the Presidency-towns.

Leave was granted.

The Council adjourned to Friday, the 20th August, 1880.

SIMLA;
The 6th August, 1880.

D. FITZPATRICK,
Secretary to the Government of India,
Legislative Department.

G. C. B. Press, Simla.—No. 278 L. D.—16-8-80—250.

Abstract of the Proceedings of the Council of the Governor General of India, assembled for the purpose of making Laws and Regulations under the provisions of the Act of Parliament 24 & 25 Vic., cap. 67.

The Council met at Government House on Friday, the 20th August, 1880.

PRESENT:

His Excellency the Viceroy and Governor General of India, K.G., P.C., G.M.S.I., *presiding*.
His Honour the Lieutenant-Governor of the Panjáb, K.C.S.I.
His Excellency the Commander-in-Chief, G.C.B., G.C.S.I., C.I.E.
General the Hon'ble Sir E. B. Johnson, R.A., K.C.B., C.I.E.
The Hon'ble Whitley Stokes, C.S.I., C.I.E.
The Hon'ble J. Gibbs, C.S.I.
The Hon'ble C. U. Aitchison, LL.D., C.S.I.
The Hon'ble B. W. Colvin.
The Hon'ble C. Grant.

PRESIDENCY SMALL CAUSE COURTS BILL.

The Hon'ble MR. STOKES moved for leave to introduce a Bill to consolidate and amend the law relating to the Courts of Small Causes established in the Presidency-towns. He had read somewhere that the present Secretary of State for India had been once observed in the course of one of his own speeches to yawn, and that when asked why he had done so, he replied "because his speech was so stupid." MR. STOKES feared that during the observations which it would be necessary for him to offer to the Council on the present occasion, not only he, but his audience, would yawn not merely once, but several times; but he would endeavour to state what he had to say in as few words as possible.

The Courts now known as the Courts of Small Causes in the Presidency-towns were established by a Charter of George the Second, dated 8th January, 1753 (a little more than four years before the battle of Plassey was fought), and would accordingly appear to be the oldest Courts now existing in British India. They had, from time to time, undergone many changes, their constitution having been re-modelled, their jurisdiction extended and their procedure amended, by various enactments and orders, in particular by Acts IX of 1850 and XXVI of 1864, which placed them on a footing closely resembling that of the English County Courts; but they had been left to a great extent untouched by the important legislation by which, in recent years,

the procedure of the other civil Courts had been reformed. The result of that was that they had become somewhat antiquated and did not fit in with the rest of the Indian judicial system; that their powers and procedure were, in many particulars, defective, and that, though, owing to the efficient manner in which they had been worked, they had generally given satisfaction, questions had often to be discussed in them which, to use the words of a late Small Cause Court Judge (the Hon'ble Mutusámi Ayyar) now on the bench of the Madras High Court, "are totally foreign to the people who resort to them, and some of which have only an historic interest even in England."

The necessity of completely revising the law relating to those Courts was pointed out many years ago by Mr. Fagan and Mr. Boulnois, two of the ablest Judges who had presided in the Calcutta Small Cause Court; and in the year 1868, a Bill was drafted for this purpose by our hon'ble and learned colleague, Mr. Pitt Kennedy; but further action in the matter had been, from time to time, postponed, pending the consideration of certain proposals regarding the jurisdiction and powers of the Courts. Those proposals had now been very fully discussed both in the Home and the Legislative Departments and by the Judges of the different Courts: as near an approach to unanimity regarding them as could well be hoped for had been attained; and the present Bill had accordingly been prepared to consolidate and amend the entire law.

The most important change introduced by it lay in the extension of the pecuniary limit of the jurisdiction from Rs. 1,000 to Rs. 2,000. This extension had been asked for as far back as 1867 by the Calcutta Trades Association—a body to which we were indebted, not only for some valuable suggestions as to legislation, but also for useful criticisms on many of our Bills. It had since then been much discussed, and had the approval of the Governments of Madras, Bombay and Bengal, of the High Court of Madras, and of the High Court at Calcutta. The only opposition to it came from the High Court at Bombay; and that opposition appeared to proceed, not so much from any objection to the principle of the extension, as from a fear that it would not be acceptable to the public—a point on which we should be in a better position to form an opinion after the Bill had been published.

Assuming, then, that the pecuniary limit of the jurisdiction was to be raised as proposed, the question arose whether any appeal should be allowed in suits above Rs. 1,000, or whether the present system of allowing a new trial by the Court itself and a reference to the High Court on a point of law was sufficient. On that point the difference of opinion had been greater. The Governments of Bombay and Bengal, the Calcutta High Court, and the Judges of the Small Cause Court at Bombay, were against admitting an appeal. The Government of Madras, the High Court there, and the Judges of

the Small Cause Courts at Calcutta and Madras, were in favour of it; as was also Mr. Kennedy at the time he drew the Bill already referred to. On the one hand, it was urged that allowing an appeal was, especially as it involved the taking of notes of evidence and the writing of judgments, inconsistent with the summary procedure of the Small Cause Court, that the hearing of cases subject to appeal could not conveniently be carried on simultaneously with the ordinary Small Cause Court work, and that the existence of a power to appeal would render litigation needlessly protracted and expensive. On the other hand, the importance of providing a check on the trial of questions of fact in suits of the higher value was insisted on, and it was pointed out that, in two at least of the Presidency-towns (Bombay and Madras), the practice of taking notes of evidence in all contested cases already prevailed. The Bill as at present drawn did not provide an appeal; but the Select Committee, to which he hoped it would be referred, would consider whether in suits above Rs. 1,000 an appeal should not be allowed.

The next question which presented itself in connection with the jurisdiction of the Small Cause Courts was that as to the classes of suits which those Courts should be empowered to hear. It had been thought best, both with a view to relieve the High Courts as far as possible of the petty litigation which now forms a considerable portion of their work on their original side, and in order to avoid, as far as might be, the doubts and difficulties which attended the construction of provisions of this sort, to draw the Bill so as to give the Small Cause Courts jurisdiction in suits of all descriptions with certain specified exceptions.

The most important of those exceptions was that of suits for the recovery of immoveable property. It appeared from the records of the Legislative Department that the framers of Act IX of 1850 intended that its 25th section should confer jurisdiction on the Presidency Small Cause Courts in such suits; but there had been a considerable difference of opinion as to the actual effect of that Act and of its amending Act (XXVI of 1864) in this particular.

The High Courts of Calcutta and Bombay had held that the Small Cause Courts were given jurisdiction in the suits in question by the 25th section of Act No. IX of 1850. The Bombay High Court had held further that a like jurisdiction was conferred in suits up to Rs. 1,000 by the Act of 1864, while the Judges of the Calcutta Small Cause Court held that their jurisdiction in such suits was not extended by that Act. The Madras High Court had held that neither Act conferred any such jurisdiction. It would seem that the learned judges, like a certain united family in Ireland, had "all agreed to disagree." To this it should be added that in Calcutta the jurisdiction, though

held to exist up to Rs. 500, was, for some reason which had not been fully explained, but little resorted to.

The Madras and Bombay authorities and the majority of the Calcutta High Court were in favour of giving the jurisdiction. The Bengal Government, the officers consulted by it (including the Judges of the Calcutta Small Cause Court) and four of the Judges of the Calcutta High Court were against it. The Bill, as he had already intimated, would not give it, and it was manifest that, if it were to be given, special provisions relating to it would have to be introduced. An appeal should certainly be given, proper provision would have to be made for execution, and probably some rules would, as suggested both by the Calcutta and the Madras High Courts, be required to limit the operation of the decisions of the Small Cause Court as *res judicatæ*. Considering the fact that questions of rights in respect of immoveable property in the Presidency-towns were, to use the words of the Bombay Government, "peculiarly intricate and difficult," he was himself against giving the jurisdiction.

Other suits in which it was proposed to withhold jurisdiction from the Small Cause Courts were the suits mentioned in section 25 of Act IX of 1850, and in addition thereto suits against the Secretary of State for India in Council, suits for partition, for foreclosure, for redemption, suits for the specific performance or the rescission of contracts relating to immoveable property, administration-suits, suits to obtain an injunction or to enforce a trust. The machinery of the Presidency Small Cause Courts was not such that it could deal usefully with most of these matters: the difficult and complicated questions which constantly arose in the suits just mentioned could not possibly be disposed of in the summary manner which the public had a right to expect from a Small Cause Court; and (speaking with all respect for the present able and learned Judges) the constitution of those Courts was not such that those questions could always be safely left to their decision.

The want of any power to execute the decree of a Small Cause Court against immoveable property, except by the circuitous process of instituting a suit upon such decree in the High Court, had for many years past been complained of as involving an undue hardship to plaintiffs, and in some places, particularly in Madras, driving them to institute their suits in the High Court instead of in the Small Cause Court. The objections that existed to giving the Small Cause Courts jurisdiction in suits to recover immoveable property applied also to giving them power to execute their decrees against immoveable property. In execution-cases complicated questions as to the relative priority of incumbrances, or as to the rights of persons claiming maintenance out of the attached property, constantly presented themselves in the Presidency-towns; and to dispose of such questions satisfactorily not only required an astute and

learned lawyer, but a hearing so long and laborious that to grant it would seriously impede the Small Cause Court in the disposal of cases for the speedy decision of which it primarily existed. The Bill would accordingly empower the Court to send its decrees for execution to the High Court or to a mufassal Court in the same way as the mufassal Small Cause Courts do under section 20 of Act No. XI of 1865. The only serious opposition to this proposal came from the High Court at Bombay, and it rested mainly on the political or economical objections which of late years had been so frequently urged against the sale of immoveable property in execution of decrees. Objections which, however weighty they might be in the mufassal, where the land was the only means of livelihood of the mass of the people, and was in fact the basis of society, had little or no force in the cases that occurred in the Presidency-towns.

It had been held that the procedure in the Presidency Small Cause Courts was that of the Courts of common law in England, except in so far as it had been modified by Act IX of 1850. The result was that technical questions as to forms of action and the effect of particular pleas often engaged the attention of the judges, though they arose nowhere else in India. The Bill and one of its schedules would make the simple and uniform Code of Civil Procedure the foundation of the procedure of the Small Cause Courts in the Presidency-towns, as it was of those in the Mufassal; but the special provisions of the existing Acts regarding Court-fees, fees to Counsel and attorneys, and suspension of execution in cases of sickness, had been retained; and it might be a question whether further modifications of the general law, for example, as regards the payment of expenses of witnesses, should not be introduced.

The Bill would confer in the Presidency Small Cause Courts a limited insolvency-jurisdiction. This was completely new. The introduction of provisions for this purpose had been advocated by the Government of Bengal, the Calcutta High Court and the present Chief Justice of Madras, with a view to relieving the High Courts of a mass of petty work with which they were at present burthened, to the great detriment of more important business. In Calcutta, for instance, the business in insolvency occupied a Barrister Judge for nearly thirty days in the year, and all the Judges who had sat in the Insolvent Court were unanimous in the opinion that this amount of Judge's time so lost to the High Court was not accompanied by commensurate advantages to the public in the application and working of the insolvent law. In their report for 1875 the High Court said that "during the last three years the instances might be counted on the fingers in which resort has been had to the Insolvent Court for the purpose of an equitable distribution among creditors of any appreciable estate belonging to the insolvent. In the great majority of cases the applications are made by the debtors themselves only when arrest is imminent or has actually been effected, and when they really have no property left, or have taken

means to conceal it." That was five years ago. But things had become no better in the meantime. In fact, it might be said *ingravescit in dies malum*. There had been some difference of opinion as to the way in which the insolvency-jurisdiction should be divided between the High Court and the Small Cause Court. The Bill would assign to the Small Cause Court all cases of non-traders, leaving to the High Court only the cases of traders. This was the principle of division proposed by the Calcutta High Court; and it seemed to be the most convenient, for it was, as a rule, in the latter class of cases only that questions of difficulty and importance arose in this country. The great mass of non-trading insolvents consisted of Government clerks who had lived beyond their means, and the settlement of their affairs was, generally speaking, only too simple a matter, there being in most cases little or no assets to recover or distribute.

The Bill would also contain a chapter on testamentary and intestate jurisdiction. The object of this was to relieve the High Court, and at the same time to provide in the case of small estates, when the assets of the deceased were less than Rs. 1,000, a cheap and expeditious mode of obtaining probate or letters of administration.

These were the chief points of the proposed legislation. He had only to thank the Council for listening so patiently to what was indeed a *labor operosus ac molestus*, and to add that the Bill would be published as soon as possible, but that it would not be proceeded with till the Council had reassembled at Calcutta: in order to give the public and the profession ample time to familiarise themselves with its provisions, it would not come into force before the 1st July, 1881.

The Motion was put and agreed to.

The Council adjourned to Friday, the 3rd September, 1880.

SIMLA;
The 20th August, 1880.

D. FITZPATRICK,
Secretary to the Government of India,
Legislative Department.

G. C. B. Press, Simla.—No. 305 L. D.—30-8-80.—250.

Abstract of the Proceedings of the Council of the Governor General of India, assembled for the purpose of making Laws and Regulations under the provisions of the Act of Parliament 24 & 25 Vic., cap. 67.

The Council met at Government House on Friday, the 3rd September, 1880.

PRESENT:

His Excellency the Viceroy and Governor General of India, K.G., P.C., G.M.S.I., *presiding.*
His Honour the Lieutenant-Governor of the Panjáb, K.C.S.I.
His Excellency the Commander-in-Chief, G.C.B., G.C.S.I., C.I.E.
The Hon'ble Sir J. Strachey, G.C.S.I., C.I.E.
General the Hon'ble Sir E. B. Johnson, R.A., K.C.B., C.I.E.
The Hon'ble Whitley Stokes, C.S.I., C.I.E.
The Hon'ble J. Gibbs, C.S.I.
The Hon'ble C. U. Aitchison, LL.D., C.S.I.
The Hon'ble B. W. Colvin.
The Hon'ble C. Grant.

PRESIDENCY SMALL CAUSE COURTS BILL.

The Hon'ble MR. STOKES introduced the Bill to consolidate and amend the law relating to the Courts of Small Causes established in the Presidency-towns, and moved that it be referred to a Select Committee consisting of the Hon'ble Mr. Gibbs, the Hon'ble Mahárájá Jotíndra Mohan Tagore, the Hon'ble Messrs. Kennedy and Paul and the Mover. He said that the Bill, though it comprised certain subjects not provided for by the existing Acts, contained a much smaller number of sections than they did. The Bill contained only 75 sections, but the present law as to the Presidency Small Cause Courts consisted of 121 unrepealed sections of Acts and three clauses of the old Supreme Court Charters. This diminution in bulk was due chiefly to the omission of matters provided for by the sections of the Code of Civil Procedure which it was proposed to apply, or by the general law; but partly also to the omission of certain matters,—such as the security to be given by ministerial officers, and the mode of keeping the accounts of the Court—which, following the practice of recent years, were left to be dealt with by the Executive Government in accordance with the ordinary departmental rules.

This led him to remark that the Bill was the last of the series of measures of consolidation,—that is to say, measures the primary object, or one of the primary objects, of which was to condense and clarify the existing Acts and Regula-

tions of British India,—which he had announced to this Council on the 28th June 1877, shortly after he had had the honour of taking charge of the Legislative Department. The other measures then mentioned were the Arms Bill, the Sea-Customs Bill, the Railway Bill, the Stamp Bill, the Panjáb Courts' Bill, the Merchant Shipping Bill, and, lastly, the Criminal Procedure Code Bill. Two other consolidation Bills subsequently brought forward were the Legal Practitioners Bill and the Opium Bill. With the exception of the Merchant Shipping Bill (a different measure from the recent Act VII of 1880) and the Criminal Procedure Code Bill, these measures had all become law, and replaced by seven Acts more than forty-one enactments scattered over the Indian Statute-book.

Simultaneously with the preparation of these measures there had been going on two other processes—that of expurgation of obsolete enactments, and that of separating from the laws applicable to the whole country the local laws of British India and arranging those laws according to their local application. For the former purpose the Legislative Department had prepared, and this Council had passed, six repealing enactments (VIII of 1868, XIV of 1870, XXIX of 1871, XII of 1873, XVI of 1874 and XII of 1876) which swept away a vast mass of the matter that had become obsolete during the last eighty-eight years. For the latter purpose he, with the assistance of Mr. Heysham, the zealous and efficient Registrar in the Legislative Department, had already prepared and passed through the Press three volumes of the general Acts, that is, unrepealed Acts of the Governor General in Council extending or extendible to the whole of British India, passed between November 1834 and June 1876, and nine volumes of the unrepealed local Regulations and Acts relating respectively to Madras, Bombay, the Lower Provinces, the North-Western Provinces, Oudh, the Panjáb, Ajmer and British Burma. The volumes for the Central Provinces and Coorg were in the Press; and when they had been published there would remain only the volume for Assam, a new edition of the general Acts bringing them down to date, and a volume of the unrepealed Acts of Parliament relating to India.

To use the words of Sir James Stephen, in a speech which he had made in this Council on the 25th February 1870, the advantages of such an operation were "so great and obvious that he did not think it necessary to dwell on them." The real bulk of the law was shewn to be far less than was generally supposed: people were no longer at a loss where to look for the Act or Regulation which they needed; and (as all obsolete matter was repealed and omitted) when they found the enactment which they sought they might be sure that every part of it was operative. Besides this, money and space were saved, for, as a rule, all the written law that any official or lawyer, say in the Panjáb, Oudh or Burma, required, was the general Acts and the slender volume of local

laws in force in his own Province. And to the *penetralia* of all these Acts, Regulations and Statutes a guide would be found in the elaborate Index which had recently been prepared and published by Mr. Jacob of the Bengal Civil Service, who had been employed for that purpose for about a year by the Legislative Department.

The Motion was put and agreed to.

The Hon'ble MR. STOKES also moved that the Bill be published in the *Calcutta Gazette*, the *Fort St. George Gazette* and the *Bombay Government Gazette*, in English and in such other languages as the Local Government might think fit.

The Motion was put and agreed to.

CENSUS BILL.

The Hon'ble MR. GRANT moved for leave to introduce a Bill to provide for certain matters in connection with the taking of the Census. He said that the Council were aware that it had been decided to take a general Census of British India in February 1881, that date having been fixed in order to correspond as nearly as possible with the time appointed for the taking of a general Census in other parts of Her Majesty's Dominions. In former Census-operations it had not been generally thought necessary to resort to any legislation; but the Madras and Bombay Presidencies had Municipal Acts which contained certain statutory provisions for the enumeration of the populations of municipal towns, and in Bengal also, a short Act had been passed in 1871, under the authority of which the last Census was effected. He understood, however, that it had not been found necessary in Bengal to make use of the penalties which the Act authorized; but no doubt the existence of those penalties had been found very useful, and from the speech of the Hon'ble Member who introduced the Bengal Bill, he found that it was considered necessary at that time that some such authority should be taken by the Government.

The Registrar General of England, to whom this question was referred by the Secretary of State, and who was very well qualified to pronounce an opinion on such a point, having had charge of three Censuses in England and possessing also a personal acquaintance with India, wrote that he considered that the necessary legislation was indispensable.

His Excellency THE PRESIDENT presumed that Mr. Grant referred to Major Graham.

The Hon'ble MR. GRANT said that he did, and that Major Graham's experience had been, that the existence of legal powers strengthened his hands, though fines had in no instance to be inflicted. The same need, as he had already

remarked, had been anticipated in Bengal; but in other respects, so far as he could judge from reading the Census-reports, the absence of statutory powers had not been generally felt.

In Burma, however, certain difficulties had undoubtedly been experienced. He found that the Town Magistrate of Rangoon wrote:—

"We then witnessed the great want of legal authority in the work, for in some of these barracks the people pretended to be asleep, and not to hear the order of the Police to open their doors and bring lights. All was darkness, and the Police dared not resort to force."

And in some recent correspondence with the Chief Commissioner of British Burma, Major Evanson, the Town Magistrate of Rangoon, wrote:—

"Some of the English residents and shipmasters not only sent in most incomplete forms, but also some with silly contents.

"I will allude to one or two as samples. One shipmaster wrote across the form "Too busy to fill up," and acted up to what he wrote. Several entered only the master and officers, excluding the whole crew.

"One resident entered the whole of his establishment under the heading "Idiots." Such matters had to be corrected as best we could, but the absence of any special law or rule to enforce correct entries and to arm the Magistrate was much felt."

Thus, on the whole, there had seemed to be *primâ facie* ground enough for the contemplated legislation, and the matter was specially referred to a Committee appointed to consider all matters connected with the Census. He would quote their opinion from their report:—

"We think it would be advisable to pass a short general Act for the whole of India, which, in cases where opposition and apathy put difficulties in the way of the enumeration, would greatly strengthen the hands of the executive."

And then they added that if such a general Act were passed,—

"a clause should be inserted reserving it to the Local Governments to extend the Act to the territories they administer, as they think proper."

The opinions of the Committee were referred to the different Local Governments, who generally concurred in the necessity of legislation. He found that Madras, Mysore, the Central Provinces, Assam, Burma, Bombay, the Panjáb and Bengal either advocated or did not object to some kind of enactment. Legislation was said to be unnecessary for Haidarábád, and the North-Western Provinces objected to it; but, as had been seen, the great majority of the Local Governments were either in favour of, or at least not opposed to, legislation in the form suggested by the Committee.

A short Bill had therefore been drafted, embodying most of the recommendations of the Committee, the details of which might more suitably be described on a subsequent occasion if the Council gave leave to introduce it.

The Motion was put and agreed to.

PEGU AND SITTANG CANAL BILL.

The Hon'ble MR. AITCHISON moved for leave to introduce a Bill to regulate the navigation of the Pegu and Sittang Canal, and to provide for the execution of works necessary to its maintenance. He said that the canal, which was thirty-nine miles in length, connected the Pegu and Sittang rivers. It had been constructed by Government with the object, first, of shortening the journey between Rangoon and Toungoo, which it did by nearly two days, and secondly, and chiefly, to enable the river-traffic to avoid the extremely dangerous bore on the Sittang river. The canal was some thirty-nine miles in length, of which fourteen miles had been constructed partly by utilising the natural water-bed of the Ka-ya-zoo creek, and partly by digging an artificial channel. The artificial portion was constructed entirely through waste-lands in which there were no private rights; such private rights as existed in respect to the other portion of the canal had been acquired by the Government under the Land Improvement Act and by other legal means, so that through the whole length of the canal the Government was how proprietor. In constructing the canal, however, it was found necessary to close a portion of the creek as well as certain other channels which formed the public highway. For those reasons, and also because it was desirable, for the proper regulation of traffic, the collection of tolls and dues and the maintenance of the canal, that the Government should have something more than the authority conferred by its position as proprietor to rely upon, it was proposed to resort to legislation.

The present Bill was founded on portions of the Northern India Canal and Drainage Act of 1873. Sections 4 to 9 provided for the levy of tolls on vessels and rafts, and for the regulation of the navigation, and sections 10 to 13 gave the Canal-officers certain powers over private lands adjacent to the canal which would enable them to do all that was necessary for its maintenance. Lastly, sections 14 to 17 gave power, after the manner of the Northern India Canal and Drainage Act, 1873, Chapter VII, to obtain forced labour where the immediate execution of work was necessary to prevent such serious damage as would cause sudden and extensive public injury. It was at one time also proposed to compel persons to assist in clearing the canal, but that could be provided for by rules. The other provisions of the Bill were merely subsidiary, and did not call for remark.

The Motion was put and agreed to.

MADRAS PORT-DUES BILL.

The Hon'ble Mr. Gibbs moved for leave to introduce a Bill for increasing the Port-dues leviable at Madras. He said that the Council would be aware that a large artificial harbour had been under construction for Madras at a cost of £628,000. This money had been raised on loan, and it was necessary to provide for the four per cent. interest payable upon it. There had been a great deal of correspondence between the Government of India and the Madras Government as to the manner in which this interest should be raised, and it had been finally decided, in communication with the Madras Chamber of Commerce, to increase the Port-dues at Madras to a certain extent so as to cover a portion of the interest, and to raise the remainder by a tax on goods landed on and shipped from the wharfs. The object of the proposed Bill, therefore, was to increase the Port-dues of Madras. At present the maximum rates of those dues were three annas per ton in the case of shipping entering the port, and 1½ annas per ton for coasting vessels. What was now proposed was, that those fees should be raised, in the case of ordinary vessels, including steamers, to 8 annas per ton, and in that of vessels employed in the coasting trade to four annas per ton. It was estimated that under this proposal about Rs. 1,60,000 per annum would be raised; the balance, as he had explained, would be raised by a tax on goods landed and shipped. With those objects the Bill had been framed.

The Motion was put and agreed to.

The Council adjourned to Friday, the 10th September, 1880.

Simla;
The 3rd September, 1880.

D. FITZPATRICK,
Secretary to the Government of India,
Legislative Department.

G. C. B. Press, Simla.—No. 332 L. D.—8-10-80—250.

BENGAL SECRETARIAT LIBRARY

Abstract of the Proceedings of the Council of the Governor General of India, assembled for the purpose of making Laws and Regulations under the provisions of the Act of Parliament 24 & 25 Vic., cap. 67.

The Council met at Government House on Friday, the 10th September 1880.

PRESENT:

His Excellency the Viceroy and Governor General of India, K.G., P.C., G.M.S.I., *presiding*.
His Honour the Lieutenant-Governor of the Panjáb, K.C.S.I.
His Excellency the Commander-in-Chief, G.C.B., G.C.S.I., C.I.E.
The Hon'ble Sir J. Strachey, G.C.S.I., C.I.E.
General the Hon'ble Sir E. B. Johnson, R.A., K.C.B., C.I.E.
The Hon'ble Whitley Stokes, C.S.I., C.I.E.
The Hon'ble J. Gibbs, C.S.I.
The Hon'ble C. U. Aitchison, LL.D., C.S.I.
The Hon'ble B. W. Colvin.
The Hon'ble C. Grant.

CENSUS BILL.

The Hon'ble MR. GRANT introduced the Bill to provide for certain matters in connection with the taking of the Census, and moved that it be referred to a Select Committee consisting of the Hon'ble Messrs. Stokes, Aitchison and Colvin and the Mover. He said that in asking for leave to introduce the Bill he had proposed to defer the detailed consideration of its provisions until the time came for introducing it; he would therefore preface his present motion with such remarks as seemed necessary; but the Bill was a short one, and what he had to say would be brief also.

The main object of Census-legislation was of course to bring into proper relations with each other the enumerators and the enumerated, that is, to give to the former suitable powers for counting, and to require from the latter reasonable facilities for being counted. Accordingly, the Bill was occupied mainly with these two subjects, or rather two branches of the same subject. Section 3 of the Bill began by declaring that a Census-officer was—

"any person appointed by the Local Government, by name or in virtue of his office, to make or aid in or supervise the making of, the census within any specified local area."

He (MR. GRANT) feared that there had been an omission here. In many parts of India, notably in Bengal, the census of 1871 was conducted very

largely by the aid of unpaid and unofficial persons, and it would be impossible to expect any Government to appoint by name every single member of an enumerating staff numbering perhaps thousands. The system was, however, one to which every legal facility should certainly be given, for it was said to have worked admirably in Bengal. By choosing the more influential and respectable residents in villages to conduct the enumeration, the risk of fraud had been reduced to a minimum, and a feeling of confidence had been established among the people which went far to guarantee them against unreasonable panics. On this subject the Superintendent of the Bengal census wrote—

"The experiment undoubtedly was a hazardous one, but the event has proved that the anticipations of Government on this score were not unfounded. The office of Enumerator has for the most part been sought after and coveted, many of those who were passed over or rejected having represented the circumstance to the District Officer as a grievance."

And he added—

"Public confidence was at once restored when it was seen that each village through its representatives was left to make its own return."

It would therefore be for the Select Committee to determine whether this section should not be extended by authorizing the Local Governments to delegate their powers to such person or persons as they might think fit. Provision having thus been made for the selection and appointment of Enumerators, sections 6, 7, 8 and 9 described the powers of Census-officers and the liabilities imposed on the people for the purpose of carrying out the work of enumeration. Section 6 empowered the Magistrate of a district to call upon all landholders, farmers and others to give assistance to the Census-officer. The history of past censuses gave us no reason to anticipate anything like active opposition; and, as in nearly every part of India at least one census had been taken, it might be hoped that the enumeration would no longer be so formidable and strange an operation to the people as it undoubtedly had been at first. But over so large an area, and among so timid a people, it was scarcely possible to hope that some unreasonable panics should not occur, and therefore it was desirable to give Census-officers every reasonable aid which the law could provide.

The history of the census of 1871 in Bengal gave a very good account of the kind of panics to which the people were liable at such times. The most common ground of apprehension was that the census was a mere preliminary to fresh taxation, and this feeling made itself manifest, not only in Bengal, but in all parts of India, except in Burma, where the people paid a poll-tax already and therefore had nothing more to fear on that account. Another very general

impression was that men were being counted in order to be enlisted in the army, though the same feeling which led members of the unwarlike races of Bengal to dread military service might have put it into their heads to reflect that they would not be much valued as soldiers. A similar story got about with regard to women, who believed that they were to be taken as wives for soldiers, though it must have been pretty generally known that the wives of European soldiers were not generally taken from among the daughters of the soil. But it was unnecessary to look for the reasons of perfectly unreasoning panics, and, indeed, in this instance the apprehension was a very real one; for in Oudh many girls were hidden away for fear of being captured. An even more exaggerated and fantastic form of the same legend gained currency in one district of Bengal, where it was rumoured that all marriageable girls were to be taken down to Calcutta, there to be made over to some General Sáhib whose name had not transpired; and he found that even Her Gracious Majesty herself had not been altogether spared; for she had been credited with sending for a number of young virgins, to fan her in what was apparently supposed to be the hot climate of England. But the most absurd rumour of all was one which obtained circulation in Travancore, where it was believed that a compact had been entered into between the Mahárájá and the Viceroy that the Mahárájá should supply a certain percentage of his subjects to be given to a monster whose food was human flesh and blood, and who, in return,—so we were told—evacuated large quantities of gold bullion.

Every attempt had, of course, been made to explain the real objects of the census, but he fancied that in many cases the official explanations had been found too prosaic to make their way home. In the Central Provinces Report, for instance, he read that one of the Census-officers, finding it perfectly hopeless to obtain credence for his explanations, tried the effect of invention, and gave out that the Czar having boasted of the number of his subjects, Queen Victoria determined to show that she had still more, and with this object instituted a census. This explanation seemed not only to have been accepted by his auditors, but to have spread through the country, and to have given very general satisfaction.

Section 9 provided that—

"Every person occupying any house, enclosure, vessel or other place shall allow the Census-officers such reasonable access thereto as they may require for the purposes of the census."

This authority had been conveyed in somewhat wide terms, and it was certainly one which was liable to be misused, and which, therefore, should be carefully watched in its exercise. It was, however, impossible in a legislative enactment of this kind to tie down the executive very closely; and it would rest

with the administrative authorities to see that the powers thus given were not abused. It was obvious that a census could not be properly taken unless the Enumerator had the power of going into houses and verifying the returns for himself; and, indeed, in Madras the returns of two districts had been largely vitiated by attempts to dispense with personal enquiry. In these cases, however, the blame lay, not with the householders, but with the Enumerators themselves, who were mostly high Bráhmans and feared to incur defilement by going into the houses of low-caste people. They had therefore contented themselves with throwing the census-papers over the walls of the enclosures, and the result was that the number of women enumerated in these two districts, Bellary and Caddapah, was very disproportionate to that of men; and the census-returns were, of course, comparatively valueless.

In section 10 a penalty was provided for misconduct on the part of Census-officers. There was no reason to suppose from past experience that this provision would be very generally required,—more particularly if, as in Bengal, the people were encouraged to count themselves; but where, as in Oudh, it was found necessary to let loose on the country a swarm of men on low pay, and selected for no qualification except the power of reading and writing, it was unreasonable to suppose that so good an opportunity would not be taken of reaping a harvest. It would be observed that this section was intended to meet cases for which the Penal Code did not provide, and therefore all that the law could do to check such abuses had been done.

Section 12, the last section of the Bill, provided that—

"no entry in any book, register or record made by a Census-officer in the discharge of his duty as such officer shall be admissible as evidence in any judicial proceeding."

That provision was inserted in consequence of a suggestion made by the Secretary of State, who had been informed that, in former censuses, inconvenience had been caused by such records having been called for by Courts of Justice.

Mr. Grant had nothing more to say on the details of the Bill. As it stood it might be regarded as little more than a mere sketch, to be filled in, if necessary, by the suggestions which he hoped to obtain from Local Governments and the Select Committee. Fortunately, past experience showed that no elaborate system of restriction would be needed for the purposes of enumeration. What had really to be overcome was, not a spirit of opposition, but ignorance and timidity, and that could best be met by sensible, sympathetic and conciliatory administration.

His Excellency THE PRESIDENT presumed that, if the Bill passed, the Home Department would issue a circular pointing out the mode in which the powers under the Bill were to be exercised.

The Hon'ble MR. GRANT replied in the affirmative.

The Hon'ble MR. STOKES remarked that section 9 seemed to require an addition providing for cases of zanánas, as was done both by the Criminal Procedure Code, section 384, and the Code of Civil Procedure, section 271. As the section now stood, although the words "reasonable access" were used, there was, in his opinion, nothing to prevent a Census-officer from forcing his way without notice into an apartment in the actual occupancy of a woman who, according to the customs of the country, did not appear in public. This was certainly not intended.

His Excellency THE PRESIDENT remarked that that was a matter which certainly ought to be provided for.

His Honour THE LIEUTENANT-GOVERNOR inquired if there was no provision for persons who accepted schedules to be filled in, to oblige them to fill them in accurately. The Bill empowered the Census-officer to ask questions, but it did not oblige the person who took the Census-paper to fill it in correctly.

His Excellency THE PRESIDENT remarked that section 8 obliged persons to answer such questions as were put to them by the Census-officer.

His Honour THE LIEUTENANT-GOVERNOR said that that was different from filling up a return.

The Hon'ble MR. STOKES said that he had suggested the insertion of a clause to the effect indicated by His Honour the Lieutenant-Governor; there were clauses like it in recent Acts of Parliament relating to censuses; but he understood that it had been deliberately omitted by the Hon'ble Member in charge of the Bill.

The Hon'ble MR. GRANT explained that the reason was that the ordinary enumeration would be conducted by Census-officers and Enumerators appointed by Government, and that people would only be allowed to fill up their own schedules as a special privilege. It was, therefore, not thought necessary to provide penalties on this account; but if they were found necessary they could, of course, be added.

The Hon'ble MR. GIBBS remarked that in Bombay and large towns, when a census was taken, the forms were merely left at houses and the people asked to fill them in and return them.

The Hon'ble MR GRANT observed that provision had been made for private enumeration in the Bombay rules; but, as he had said before, such enumeration would only be allowed to persons qualified and willing to undertake it. Of course, if that system were largely extended, it might be necessary to impose penalties on persons declining to fill up schedules, as suggested by Sir Robert Egerton.

His Excellency THE PRESIDENT observed that the point was worthy of consideration.

The Hon'ble MR. GRANT agreed with His Excellency and said that it would be considered by the Select Committee.

The Motion was put and agreed to.

The Hon'ble MR. GRANT also moved that the Bill be published in the local official Gazettes in English and in such other languages as the Local Governments might think fit.

The Motion was put and agreed to.

PEGU AND SITTANG CANAL BILL.

The Hon'ble MR. AITCHISON introduced the Bill to regulate the navigation of the Pegu and Sittang Canal, and to provide for the execution of works necessary to its maintenance, and moved that it be referred to a Select Committee consisting of the Hon'ble Messrs. Stokes, Colvin and Grant and the Mover. He said that when he moved for leave to introduce the Bill he gave a brief description of the clauses which it was proposed to insert in the Bill, so that he had very little now to add. The Bill was based on the Northern India Canal and Drainage Act of 1873, and the preliminary provisions,—those relating to the levy of tolls, and those giving power to enter upon private lands, subject to payment of compensation for any damage done—did not seem to call for any explanation. Sections 14 to 17, however, appeared to call for some remark. Those gave to the executive officers in charge of the canal the power to obtain forced labour and to take materials for the use of the canal. The power was, no doubt, an unusual one, but there were precedents for it both in the Northern India Canal and Drainage Act, the Burma Embankment Act and elsewhere.

The Hon'ble MR. STOKES observed that Act I of 1858 legalised, in the Presidency of Fort St. George, compulsory labour for the prevention of mischief by inundation, and provided for such labour on certain works of irrigation.

The Hon'ble MR. AITCHISON continued :—

It was a power which would not have been taken had there not existed a real necessity for it—a necessity arising from the fact that in Burma there were often very sudden and heavy floods by which the canal and its embankments were liable to be very seriously breached to the danger of life, and great damage both to public and private property. The population on the banks of the canal was scanty, and the disposition of the Burmese was such that very often people might not be disposed to move even to prevent a calamity. His Excellency the President would observe that the power was fenced round with a great many precautions. Advantage could not be taken of those sections except under the written order of the Canal-officer; this order could only be issued when the damage threatened to the canal was serious, and sudden and public injury was likely to result, and when labour and materials could not be otherwise procured in sufficient time to prevent serious injury; when persons were detained for such labour, or material taken, the highest market-rates would be paid by the Canal-officer for such labour and materials. Then there was another check,—that the Canal-officers were not at liberty to call on any person to labour; but the District-officers, who were independent of the Canal-officers, would prepare lists of persons liable to serve, and no one whose name was not on such lists could be called on by the Canal-officer to labour on the canal. Those lists would be prepared under rules framed by the Chief Commissioner, which would first receive the sanction of the Governor General in Council.

MR. AITCHISON thought that with such precautions there was little chance of the powers under the Bill being abused, and he presumed that there would be no objection to the adoption of a provision which had been accepted by the legislature in similar cases elsewhere.

The Motion was put and agreed to.

The Hon'ble MR. AITCHISON also moved that the Bill be published in the *British Burma Gazette* in English and in such other languages as the Local Governments might think fit.

The Motion was put and agreed to.

MADRAS PORT-DUES BILL.

The Hon'ble MR. GIBBS introduced the Bill to enhance the rate of Port-dues leviable at Madras, and moved that it be referred to a Select Committee consisting of the Hon'ble Messrs. Stokes and Grant and the Mover. He said that the observations which he had made when he asked for leave to introduce

the Bill seemed to be quite sufficient to explain its objects. He would merely add on the present occasion that the manner in which legislation was intended to be carried out was by the amendment of the Indian Ports Act of 1875.

The Motion was put and agreed to.

The Hon'ble MR. GIBBS also moved that the Bill be published in the *Fort St. George Gazette*, the *Bombay Government Gazette*, the *Calcutta Gazette*, and the *British Burma Gazette*, in English and in such other languages as the Local Governments might think fit.

The Motion was put and agreed to.

INDIAN GOVERNMENT SECURITIES BILL.

The Hon'ble MR. STOKES asked leave to postpone the motion for leave to introduce a Bill to provide for certain matters relating to securities of the Government of India.

Leave was granted.

The Council adjourned to Friday, the 24th September, 1880.

SIMLA;
The 10th September, 1880.

D. FITZPATRICK,
Secretary to the Government of India,
Legislative Department.

G. C. B. Press, Simla.—No. 350 L. D.—17-9-80.—250.

Abstract of the Proceedings of the Council of the Governor General of India, assembled for the purpose of making Laws and Regulations under the provisions of the Act of Parliament 24 & 25 Vic., cap. 67.

The Council met at Government House on Friday, the 24th September, 1880.

PRESENT:

His Excellency the Viceroy and Governor General of India, K.G., P.C., G.M.S.I., *presiding.*
His Honour the Lieutenant-Governor of the Panjáb, K.C.S.I.
His Excellency the Commander-in-Chief, G.C.B., G.C.S.I., C.I.E.
The Hon'ble Sir J. Strachey, G.C.S.I., C.I.E.
The Hon'ble Whitley Stokes, C.S.I., C.I.E.
The Hon'ble J. Gibbs, C.S.I. C.I.E.
The Hon'ble C. U. Aitchison, LL.D., C.S.I.
Lieutenant-General the Hon'ble Sir D. M. Stewart, K.C.B.
The Hon'ble B W. Colvin.
The Hon'ble C. Grant.

MADRAS IRRIGATION AND CANAL COMPANY'S CANAL BILL.

The Hon'ble MR. GIBBS moved for leave to introduce a Bill to regulate the traffic on the Madras Irrigation and Canal Company's Canal. He said that this company was established under the 21 & 22 Vic., c. 8, that it entered into a contract with the Secretary of State on the 3rd of June 1863, for the carrying out of certain works some of which had been completed. Under the twenty-seventh section of that agreement it was provided that the Company should be authorized and empowered to charge such fares and rates for the conveyance of passengers, animals and goods as should not exceed the fares and rates which should be defined and sanctioned by an Act of the Indian Legislature. Doubts had arisen in Madras as to whether the term "Indian Legislature" included the Council of the Governor of Madras for making Laws and Regulations, and in order to prevent any difficulty arising on this point it had been deemed advisable to introduce the proposed Bill in this Council.

The Motion was put and agreed to.

INDIAN GOVERNMENT SECURITIES BILL.

The Hon'ble MR. STOKES moved for leave to introduce a Bill to provide for certain matters relating to securities of the Government of India. He said that in the case of the 4½ per cent. loan of 1880, the Government of India had

determined to issue, in lieu of promissory notes, loan-certificates payable to bearer, with coupons attached, and it was not improbable that it would desire to issue similar certificates in the case of other loans. As the English law relating to such certificates and coupons was at present in process of development, and as it was, accordingly, by no means certain what legal incidents a Court would attach to these documents, it had been deemed advisable to provide by legislation for two points on which it was essential that the law should be definitely fixed. These were first, that our loan-certificates and coupons should be transferable by delivery; and, secondly, that payment to the bearer of the amount expressed in them, at or after due date, should be a full discharge to the Government, just as if they were promissory notes payable to bearer.

In enacting these provisions the Bill would follow the precedent of the Acts of Parliament relating to English stock-certificates (33 & 34 Vic., c. 71, s. 32, paragraph 1, and s. 35, paragraph 2) and India stock-certificates (26 & 27 Vic., c. 73, s. 5, paragraphs 4 and 7). The former provision was also in accordance with the decision of the Exchequer Chamber in *Goodwin* v. *Robarts*, L. R. 10 Ex. 337, as to certain foreign scrip, which entitled the holder, on payment of the instalments due from him to delivery of definitive bonds, and the subsequent case of *Rumball* v. *The Metropolitan Bank*, L. R. 2 Q. B. Div. 194, as to scrip-certificates entitling the bearer to shares in a banking company. But it would dispense with the necessity of relying on a mercantile usage, treating certificates as negotiable, on the existence of which those decisions mainly rested. The latter provision followed the ordinary rule that the maker of a promissory note was discharged by payment in due course, that is, payment by him, or on his behalf, at or after maturity, to the holder or his agent.

The opportunity would also be taken to provide for certain other matters relating to all Government securities and in regard to which the need for legislation had been brought before us.

It was, for instance, desirable that the Government should be empowered by law to decline to notice endorsements of Government securities involving a trust, such as 'Pay to A. B. in trust for C. D.' This was in practice done at present; but as there were doubts as to how far the Courts might uphold such practice, the Bill would provide specifically that no notice of any trust in respect of any security of the Government of India should be receivable by the Government. In this case also we had a precedent in the Acts of Parliament above-mentioned, see section 5, paragraph 6, of the former, and section 30 of the latter, Act.

Another section of the Bill would provide that no one endorsing a Government security should incur any liability thereby. This was intended to

remove a doubt which had been felt in some quarters as to the legal effects of such endorsement. In Financial despatch dated the 25th March, 1880, No. 101, the late Secretary of State for India had referred to this matter. Another difficulty, he said, had been brought to his notice as having a certain tendency to hinder investment in our Indian loans. The inquiry had been made on more than one occasion at the India Office, and more particularly in the interest of the foreign holder of rupee-paper, whether an endorsement on one of the existing notes carried with it a liability to repay the principal amount in the somewhat improbable event of the Government of India being unprovided with funds for its discharge. Lord Cranbrook was advised that such an endorsement had the effect only of recording title or proprietorship, and that it did not involve the responsibilities entailed by an endorsement on a promissory note of a commercial character. On the other hand, he said, it would be perceived from a legal opinion forwarded to the India Office that the above view was not uncontested, and, at all events, the fact that such an objection had been taken showed that it had a certain importance, especially in the eyes of operators in foreign markets, who might not be well informed as to the constitution of the Government of India or its relations to the Home Government.

The opinion above referred to ran as follows:—

"The rupee-paper issued by the Government of India is in its legal effect a promissory note payable *to order*, and it is upon the face of it expressly stated to be a promissory note. We have not the means of referring to the Acts of the Legislative Council under which these notes are issued, but in the absence of any special provision upon the subject, we apprehend that the notes have all the attributes of a promissory note. The notes being made payable *to order* are transferable only by endorsement of the payee, and so on from time to time, as long as the endorsement is a 'special' endorsement, that is, to the order of another person; but we apprehend that as soon as it bears a blank endorsement it would be transferable by delivery and become payable to bearer.

"By the law of England a person who endorses a promissory note becomes liable to all subsequent indorsers in the event of the note not being duly paid by the maker, and it appears to us that an indorser of one of the notes in question renders himself liable for the due payment of the note, unless, to protect himself from that liability, he makes his endorsement 'without recourse.'"

Lastly, the Bill would provide that the signatures to Government securities might be printed, engraved, lithographed or impressed by other mechanical process. Gentlemen who, like the learned authors of the opinion just quoted, were inclined to regard our rupee-paper as ordinary commercial promissory notes, subject to all the rules in Byles on Bills applicable to such instruments, might be expected to argue (notwithstanding the remarks of Sir W. Page Wood, L. J., in *Ex p. Birmingham Banking Co.*, L. R. 3 Ch. 653, 654), that, in the absence of legislation, the signatures to that paper must be written by hand.

The convenience of the proposed arrangement in the interest of the public service was obvious. Here again we had a precedent, for the Statute 16 & 17 Vic., c. 2, allowed the signature to the Bank of England notes to be impressed by machinery.

The Motion was put and agreed to.

The Council adjourned to Friday, the 1st October, 1880.

SIMLA;
The 24th September, 1880.

D. FITZPATRICK,
Secretary to the Government of India,
Legislative Department.

G. C. B. Press, Simla.—No. 367 L. D.—29-9-80—250.

Abstract of the Proceedings of the Council of the Governor General of India, assembled for the purpose of making Laws and Regulations under the provisions of the Act of Parliament 24 & 25 Vic., cap. 67.

The Council met at Government House on Friday, the 1st October, 1880.

PRESENT:

His Excellency the Viceroy and Governor General of India, K.G., P.C., G.M.S.I., *presiding.*
His Excellency the Commander-in-Chief, G.C.B., G.C.S.I., C.I.E.
The Hon'ble Whitley Stokes, C.S.I., C.I.E.
The Hon'ble J. Gibbs, C.S.I., C.I.E.
The Hon'ble C. U. Aitchison, LL.D., C.S.I.
Lieutenant-General the Hon'ble Sir D. M. Stewart, K.C.B.
The Hon'ble B. W. Colvin.
The Hon'ble C. Grant.

MADRAS IRRIGATION AND CANAL COMPANY'S CANAL BILL.

The Hon'ble MR. GIBBS introduced the Bill to regulate the traffic on the Madras Irrigation and Canal Company's Canal, and moved that it be referred to a Select Committee consisting of the Hon'ble Messrs. Stokes and Grant and the Mover.

The Motion was put and agreed to.

The Hon'ble MR. GIBBS also moved that the Bill be published in the *Fort St. George Gazette* in English and in such other languages as the Local Government might think fit.

The Motion was put and agreed to.

INDIAN GOVERNMENT SECURITIES BILL.

The Hon'ble MR. STOKES introduced the Bill to provide for certain matters relating to securities of the Government of India, and moved that it be referred to a Select Committee consisting of the Hon'ble Sir J. Strachey and the Hon'ble Messrs. Gibbs and Aitchison and the Mover. He said that he had given a tolerably full description of the future Bill on the occasion when he moved for leave to introduce it, and now that the Bill had become a reality, he thought that the Council would find that description correct.

He need only now add that section 5 was designedly drawn in very general terms. It provided that—

"No person shall, merely by reason of his having endorsed any Government security, be liable to pay any money due, whether on account of principal or interest, thereunder."

Hon'ble Members would see that this provision applied, not only to cases where the securities were, as had hitherto been the case with our loan-certificates, payable to order, but also to securities which, like the certificates in respect of the 4½ per cent. loan of 1880, would be payable to bearer. The reason was that, in the absence of legislation to the contrary, liability to pay any subsequent indorser or the bearer in case of the maker's default might possibly be held to arise in case of indorsing a note payable to bearer. Such indorsements would, of course, to the mercantile eye, be mere surplusage; but they were constantly made in this country at the request of persons to whom currency-notes were paid.

The only other matter which it seemed necessary to mention was that the Bill did not follow the precedent of the present English Stamp Act (33 & 34 Vic., c. 97), which expressly exempted coupons from being stamped as promissory notes. The reason was that the Indian Stamp Act, 1879, Schedule II, clause 18, exempted from duty every instrument executed by, or on behalf of, Government.

The Motion was put and agreed to.

The Hon'ble MR. STOKES also moved that the Bill be published in the local official Gazettes in English and in such other languages as the Local Governments might think fit.

The Motion was put and agreed to.

BOMBAY REVENUE JURISDICTION ACT 1876 AMENDMENT BILL.

The Hon'ble MR. COLVIN asked leave to postpone the presentation of the Report of the Select Committee on the Bill to amend the Bombay Revenue Jurisdiction Act, 1876.

Leave was granted.

The Council adjourned to Friday, the 8th October, 1880.

SIMLA;
The 1st October, 1880.

D. FITZPATRICK,
Secretary to the Government of India,
Legislative Department.

G. C. B. Press, Simla.—No. 389 L. D.—8-10-80.—250.

Abstract of the Proceedings of the Council of the Governor General of India, assembled for the purpose of making Laws and Regulations under the provisions of the Act of Parliament 24 & 25 Vic., cap. 67.

The Council met at Government House on Friday, the 22nd October, 1880.

PRESENT:

His Excellency the Viceroy and Governor General of India, K.G., P.C., G.M.S.I., *presiding.*
His Excellency the Commander-in-Chief, G.C.B., G.C.S.I., C.I.E.
The Hon'ble Sir J. Strachey, G.C.S.I., C.I.E.
The Hon'ble Whitley Stokes, C.S.I., C.I.E.
The Hon'ble J. Gibbs, C.S.I., C.I.E.
The Hon'ble C. U. Aitchison, LL.D., C.S.I.
Lieutenant-General the Hon'ble Sir D. M. Stewart, K.C.B.
The Hon'ble B. W. Colvin.
The Hon'ble C. Grant.

CENSUS BILL.

The Hon'ble MR. GRANT asked leave to postpone the presentation of the Report of the Select Committee on the Bill to provide for certain matters in connection with the taking of the Census.

Leave was granted.

TAJ MAHAL'S PENSION BILL.

The Hon'ble MR. COLVIN presented the Report of the Select Committee on the Bill for the determination of claims to Taj Mahal's pension. He said that there was only one observation that he need make in presenting the Report, which related to a change that the Committee had made in the Bill since it had been introduced. They had provided for the investment of the interest accruing upon the principal sum to which the Bill related, as well as of the principal sum itself, in Government Securities. In all other respects there had been no material change made in the Bill.

His Excellency THE PRESIDENT inquired if the Select Committee had considered the papers before the Council from the Lieutenant-Governor of the North-Western Provinces on the subject of the Bill.

The Hon'ble MR. COLVIN replied in the affirmative.

SUNDRY BILLS.

The Hon'ble MR. COLVIN also moved that the Hon'ble Mr. Aitchison be added to the Select Committees on the following Bills :—

To amend the North-Western Provinces Rent Act, 1873.

To provide for the relief of Encumbered Estates in the Jhansi Division of the North-Western Provinces.

The Motion was put and agreed to.

The Council adjourned to Friday, the 29th October, 1880.

D. FITZPATRICK,
Secretary to the Government of India,
Legislative Department.

SIMLA ;
The 22nd October, 1880.

S. G. P. I.—No. 77 L. D.—26-6-11.

Abstract of the Proceedings of the Council of the Governor General of India, assembled for the purpose of making Laws and Regulations under the provisions of the Act of Parliament 24 & 25 Vic., cap. 67.

The Council met at Government House on Friday, the 29th October, 1880.

PRESENT:

The Hon'ble Sir John Strachey, G.C.S.I., C.I.E., President of the Council of the Governor General, *presiding*.

His Excellency the Commander-in-Chief, G.C.B., G.C.S.I., C.I.E.

The Hon'ble Whitley Stokes, C.S.I., C.I.E.

The Hon'ble J. Gibbs, C.S.I., C.I.E.

The Hon'ble C. U. Aitchison, LL.D., C.S.I.

The Hon'ble B. W. Colvin.

The Hon'ble C. Grant.

TÁJ MAHAL'S PENSION BILL.

The Hon'ble MR. COLVIN requested permission to postpone the motions relating to the Bill for the determination of claims to Táj Mahal's pension which stood in his name.

Leave was granted.

CENSUS BILL.

The Hon'ble MR. GRANT presented the Report of the Select Committee on the Bill to provide for certain matters in connection with the taking of the Census.

The Hon'ble MR. GRANT also moved that the Report be taken into consideration. He said that there was no need for any explanation regarding the changes made in the Bill by the Select Committee, as those changes were fully set forth and explained in the Committee's Report. Most of them related to matters of detail. His Honour the Lieutenant-Governor of the Panjáb would, however, see that the point for which he had contended, namely, that provision should be made for the enumeration being conducted by householders, had been considered and provided for. In other respects, several valuable suggestions had been received from the Local Governments, very many of which had been incorporated in the Bill. The Committee, in discussing the Bill, had also

had the advantage of the advice of Mr. Elliott, the Census Commissioner, who had lately come from England in time to assist the Select Committee with his criticisms.

The Motion was put and agreed to.

The Hon'ble MR. GRANT then moved that the Bill as amended be passed.

The Motion was put and agreed to.

BOMBAY REVENUE JURISDICTION ACT AMENDMENT BILL.

The Hon'ble MR. COLVIN presented the Report of the Select Committee on the Bill to amend the Bombay Revenue Jurisdiction Act, 1876.

The Hon'ble MR. COLVIN also moved that the Report be taken into consideration. He said that the necessity for the Bill had been fully explained at the time when leave was given for its introduction. The Select Committee had made three changes in the Bill since it was introduced, the nature and object of which were clearly set forth in their Report. In addition to the changes mentioned in the Report, certain minor alterations, which were little more than verbal, had been made in the Bill, in compliance with criticisms received from the Government of Bombay. As it now stood, he thought that the Bill would meet the wishes of the Bombay Government, and there seemed no reason for any further delay in passing it.

The Motion was put and agreed to.

The Hon'ble MR. COLVIN then moved that the Bill as amended be passed.

The Motion was put and agreed to.

The Council adjourned *sine die*.

SIMLA;
The 29th October, 1880.

D. FITZPATRICK,
Secretary to the Government of India,
Legislative Department.

G. C. B. Press, Simla.—No. 453 L. D.—3-11-80.—250.

Abstract of the Proceedings of the Council of the Governor General of India, assembled for the purpose of making Laws and Regulations under the provisions of the Act of Parliament 24 & 25 Vic., cap. 67.

The Council met at Government House on Thursday, the 23rd December, 1880.

PRESENT:

The Hon'ble Whitley Stokes, C.S.I., C.I.E., Senior Ordinary Member of the Council of the Governor General, *presiding.*
His Honour the Lieutenant-Governor of Bengal, K.C.S.I.
His Excellency the Commander-in-Chief, G.C.B., G.C.S.I., C.I.E.
The Hon'ble J. Gibbs, C.S.I.
The Honble C. U. Aitchison, LL.D., C.S.I.
Lieutenant-General the Hon'ble Sir D. M. Stewart, G.C.B.
The Hon'ble B. W. Colvin.
The Hon'ble Mahárájá Jotíndra Mohan Tagore, C.S.I.
The Hon'ble C. Grant.
The Hon'ble J. Pitt Kennedy.
The Hon'ble G. C. Paul, C.I.E.
The Hon'ble H. J. Reynolds.

PROBATES AND ADMINISTRATION BILL.

The Hon'ble MR. STOKES moved that the Bill to provide for the grant of probates of wills and letters of administration to the estates of certain deceased persons, be referred back to the Select Committee.

The Motion was put and agreed to.

BURMA FOREST BILL.

The Hon'ble MR. AITCHISON moved for leave to introduce a Bill to amend the law relating to forests, forest-produce, and the duty leviable on timber in British Burma. He said that, before explaining the necessity for legislation, he wished, in a few sentences, to draw the attention of the Council to the importance to the Government of forest-conservation in Burma, for the purpose of securing a permanent supply of teak for the requirements of India, and for export to Europe and elsewhere. Notwithstanding the enormous increase in the use of iron and the high price of teak timber, the consumption of the latter had steadily increased, and Rangoon and Maulmain were the two principal ports of supply for India and the world. There were large and

valuable forests in Southern India; but they were insufficient for local consumption, and, consequently, a large quantity of teak was imported annually into India from Burma. In Java and the neighbouring islands there were also teak forests, but the supply from them was insignificant. The chief sources of supply were Upper Burma, Siam, the Karen-nee country and British Burma. The far larger portion of timber from these forests found its way to Rangoon and Maulmain, by the Salween, Sittang and Irrawaddy rivers. To give an idea of the present increased supply, he would compare the statistics for the first eight years after the annexation of Pegu, with the figures for the five years ending 1878-79. The imports into Rangoon and Maulmain for the first period were 85,056 tons of fifty cubic feet; for the last period 276,749 tons. The exports for the same periods were 76,763 tons, as compared with 134,563 tons. During the last-mentioned period, about two-thirds of the teak exported from Rangoon and Maulmain were to Indian ports, and of the imports, about four-fifths came from forests beyond the British frontier. The supply from beyond the frontier, however, was fluctuating; the forests were not in any way under control of the British Government; the timber was recklessly felled and not properly protected from fires. These foreign sources might, perhaps, supply a quantity of teak for many years to come, but from the circumstances he had explained, they might become exhausted. Therefore, it was the more important that the Government should have a well-preserved area for home supply. Besides teak there were many other valuable forest trees. One of the most important forest-products was kutch. From reckless felling the tree was scarce in British Burma; but it was now being carefully preserved in the demarcated forests. During the last five years, the yield from beyond the frontier had been 11,000 tons a year, valued at Rs. 22,00,000. Burma being a moist country, the effects of forest denudation were less felt there than in some parts of India. Still the low ranges of hills adjoining the frontier had become exceedingly dry from over-felling. There were also considerable and valuable tracts of rice-lands in the plains which had been destroyed by silt brought down by the streams from the Pegu Yoma range. These and other evils arising from denudation would be met to a great extent by forest-conservation.

With respect to the necessity for legislation, MR. AITCHISON observed that at present forest-administration was carried on under three different enactments and two different sets of rules. The Government Forest Act of 1865 was in force, and under that enactment rules had been made for the administration of Burma forests. But those rules, though purporting to have been made under the law, were not covered by its provisions, and Act VII of 1869 was passed to give legal effect to them. Again, in 1873, it was found necessary to amend

the law relating to timber floated down the rivers of British Burma; accordingly, Act XIII of 1873 was passed. Again, the rules of 1865 related only to a portion of the Government forests; not to all; and, to cover the latter, rules were made under the General Forest Act of 1875. Thus, there were three different enactments and two different sets of rules, and the inconvenience of such a state of things was very obvious. It was proposed, therefore, to consolidate the law relating to forests and forest-produce, and the duty-leviable on timber in British Burma. But amendment was also necessary. Experience had shown that the best mode of forest-administration was to have compact, well-selected areas demarcated, freed from all private rights, and guarded, as far as possible, from the growth of prescriptive claims. For the last five years, steps had been taken carefully to demarcate forests in British Burma, and the demarcation had been preceded by elaborate and careful enquiry by Settlement-officers, independently of the Forest-officers, so as to afford security against any one-sided views. The requirements of the people in the neighbourhood were supplied either from land excluded from these demarcated forests, or, under certain rules, from within given areas inside such forests. Under that arrangement, forests had been demarcated, and their area aggregated, on 31st March last, 1,142 square miles. But the procedure followed in this respect in Burma in some particulars required legal sanction, and the object of the present Bill was to legalize what had been done and lay down the procedure to be followed in future. This procedure would differ from that laid down in the Indian Forest Act of 1878, and would afford greater security for proper investigation of rights. But the principal reason for special forest-legislation in Burma lay in the provisions of the Burma Land and Revenue Act of 1876. Section 6 of that Act defined the rights in land which were recognized by law, and clause (*b*) recognized rights acquired under sections 27 and 28 of the Indian Limitation Act of 1871. The rights thus recognized were "easements" in the ordinary English acceptation of the term, and did not include prescriptive rights of user. The Indian Limitation Act of 1877 extended the definition of easements so as to include rights of user, but it was held that that Act did not affect the provisions of the Burma Land and Revenue Act of 1876. Consequently, as the law at present stood, it denied the existence of prescriptive rights of user of forest-produce in British Burma.

But as a matter of fact, such rights unquestionably did exist. They had been liberally recognized in the course of forest-demarcation, and in any legislation for British Burma, such rights could not be ignored. These were, in the main, the reasons for special forest-legislation in Burma. In preparing the Bill deviation had, in some other respects, been made from some

of the provisions of the Indian Forest Act. In the first place, in the Indian Act the penalties were uniform, and, in some cases, for petty offences the penalties were disproportionately severe. In the Bill the penalties had been classified, so that the punishments for minor offences were of less severity than those for more serious offences. Then there was a fundamental difference in the chapter which dealt with the protection of timber, &c., on Government lands not included in reserved or village-forests. The Indian Forest Act attempted to solve the question by constituting a third class of forests, called protected forests, in which the rights of Government and of private persons respectively were inquired into and recorded. In Burma, where in many districts a large portion of the area, sometimes as much as three-fourths, was forest, this plan would be both unnecessary and impracticable. Consequently, instead of recognizing three classes of forests, the Bill dealt only with two classes, namely, reserved forests and village-forests. The powers that were taken with regard to forest-land outside such tracts, were to preserve certain specified trees, amongst which teak was the most important. The other differences in the Bill would form the subject of notice when the Bill was introduced. The Bill had been under consideration for five years: it was well considered in every clause by a Committee of Forest and Revenue-officers, presided over by the Chief Commissioner himself, and had the entire approval of the Chief Commissioner. It might appropriately be described as the Indian Forest Act of 1878 with such changes as were necessary to adapt it to the special circumstances of British Burma.

The Motion was put and agreed to.

DISTRICT DELEGATES BILL.

The Hon'ble Mr. Stokes moved that the Bill to provide for the grant of probates of wills and letters of administration in non-contentious cases, be referred back to the Select Committee.

The Motion was put and agreed to.

PEGU AND SITTANG CANAL BILL.

The Hon'ble Mr. Aitchison presented the Report of the Select Committee on the Bill to regulate the navigation of the Pegu and Sittang Canal, and to provide for the execution of works necessary for its maintenance.

MADRAS CORONER'S JURISDICTION BILL.

The Hon'ble Mr. Stokes moved for leave to introduce a Bill to empower the Government of Madras to alter the local limits of the Coroner's Jurisdiction, and for other purposes. He said that, under Act No. IV of 1871

(The Coroners Act, 1871), the local limits of the jurisdiction of the Coroners in the towns of Calcutta, Madras and Bombay were made co-extensive with the local limits of the ordinary original civil jurisdiction of the High Courts of Judicature at Fort William, Madras and Bombay, respectively, no power to alter them being conferred. In Madras, these limits comprised twenty-seven square miles and included no less than twenty-three villages, occupied by agriculturists or toddy-drawers. Of late years, there had been a great increase in the number of inquests to be held: thus in 1800, when the limits of the Coroner's jurisdiction were fixed, there had been only six inquests; but in 1860 the number had risen to 154, in 1870, to 198, and in 1878 (the last year for which MR. STOKES had the number), to 227. As the Coroner should always be available for an inquest, if necessary, it was obvious that the present area had become too large for one officer. It was therefore proposed that the Local Government should be empowered to restrict the local limits of the Coroner's jurisdiction by excluding from them the non-urban portion which differed but little from the adjoining mufassal district. To give effect to this proposal, the Bill, which he now asked leave to introduce, had been prepared. It empowered the Governor of Madras in Council, with the previous sanction of the Governor General in Council, to alter the local limits of the Coroner's jurisdiction, as might be from time to time convenient, provided that these limits were never extended beyond the present ones.

In the event of the powers conferred by the Bill being exercised and the local limits of the Coroner's jurisdiction restricted, the provisions of the Criminal Procedure Code relating to enquiries by the Police into unnatural and sudden deaths would extend to the tract excluded from the jurisdiction of the Coroner, and the Commissioner of Police would discharge the functions of the Magistrate under those provisions.

The Motion was put and agreed to.

TÁJ MAHAL'S PENSION BILL.

The Hon'ble MR. COLVIN requested permission to postpone the motions relating to the Bill for the determination of claims to Táj Mahal's pension which stood in his name.

Leave was granted.

EXEMPTION FROM MUNICIPAL TAXATION BILL.

The Hon'ble MR. COLVIN moved that the Hon'ble Sir D. M. Stewart be added to the Select Committee on the Bill to exempt certain persons and property from Municipal taxation.

The Motion was put and agreed to.

OBSTRUCTIONS IN FAIRWAYS BILL.

The Hon'ble Mr. Stokes moved for leave to introduce a Bill to empower the Government to remove or destroy obstructions in fairways and to prevent the wilful creation of such obstructions. He said the object of this Bill was to empower the Government to remove obstructions to navigation which might exist in fairways situate in seas adjacent to British India, and to prevent, so far as this could be done by a law, the creation of such obstructions for the future. The advantages of having such a law had been impressed upon the Government by certain recent cases. In one of these a question had been raised as to the power of the Government to remove the fishing stakes which were annually placed during the fine season in the sea off the port of Bombay, and which, having recently been advanced into the approach to the harbour, were now a source of serious danger to vessels frequenting that port. As to this we had a mass of evidence in the shape of resolutions of the Bombay Government, letters from captains of Peninsular and Oriental and British India steamers, communications from the Secretary to the Bombay Port Trust, and letters from the Port-officer. It would be enough to read to the Council part of one of the letters received from the last mentioned official:—

"The fishing stakes fixed off the entrance to the Port throughout the fine season are the cause of constant complaints and frequent accidents which occur both to the fishing boats which attach to them and to steamers and vessels approaching the harbour at night. . . . .

"The danger to fishing boats attached to the stakes exists in their lying there without lights until the close approach of a steamer or other large vessel, which is probably steaming full speed and anxious to make the Outer Light-vessel, when suddenly a 'flare-up' is shewn from a boat attached to the stakes right ahead and close to, and immediately afterwards from scores of boats for miles on either side of the vessel's course. The boats are lying at uncertain distances from the stakes, and may or may not be run over according to whether the steamer has time to avoid them and answers its helm quickly or not. If too close to allow of turning in time to clear the boats and stakes, the vessel's only alternative is to endeavour to pass between them at very great risk of having the boats or ports swept away in passing, or of having the propeller injured by the stakes, or of winding up a net on, and thus disabling, a propeller. Broken stakes also are left indiscriminately under water throughout the year, not being worth the trouble of removing are left to decay, and a constant danger to shipping is thus created."

In another case which related to the deposit of ballast by ship-masters, at the mouth of the Rangoon river,—a practice which, if permitted, might cause serious impediment and danger to the navigation of the approaches to the port of Rangoon,—the need for some further preventive powers than those which Government now possessed, had been made apparent. The Rangoon Port Com-

missioners Act (XV of 1879) no doubt empowered the Commissioners to make rules for preventing "filth or rubbish" from being thrown into the port. But, first, it was exceedingly doubtful whether the term "rubbish" as here used could be stretched to include ballast; and, secondly, the deposits in question were made at places to which the port-limits could not reasonably be extended.

There could be no doubt that it was desirable that the powers of Government officers, and the procedure to be followed by them, in relation to matters of this nature, should be clearly defined, and as the Indian Statute-Book, as it now stood, did not deal adequately with the subject, the present Bill had been prepared. A precedent for such legislation would be found in the Imperial Statute 40 & 41 Vic., c. 16 (the Removal of Wrecks Act, 1877). The Council would find that the Bill, while following generally the lines of the statute, went beyond it in two material respects. The power to remove obstructions conferred by the Bill was not confined, as in the statute, to the case of obstructions caused by wrecks, but extended also to fishing stakes, ballast and any other thing which might form an obstruction or danger to navigation. The other point in which the Bill went beyond the statute was that, in addition to giving power to remove existing obstructions, it enabled the Government to prevent the wilful creation of obstructions in the future. With this object the Governor General in Council was empowered (section 7) to make rules to regulate or prohibit in any fairway the placing of fishing stakes, the casting of ballast, or the doing of any other act which would, in his opinion, cause or be likely to cause danger or obstruction to navigation.

The Hon'ble MR. KENNEDY said he remembered that there were in his youth obstructions very similar in character to those which had been just described along a great portion of the coast of Ireland—long stake nets running very considerable distances under the surface of the water; and certainly the Bombay Port-officer in no way exaggerated the difficulties of navigation arising from such obstructions.

The Motion was put and agreed to.

MADRAS IRRIGATION AND CANAL COMPANY'S CANAL BILL.

The Hon'ble MR. GIBBS presented the Report of the Select Committee on the Bill to regulate the traffic on the Madras Irrigation and Canal Company's Canal.

The Hon'ble MR. GIBBS also moved that the Report be taken into consideration. He said the Bill as published was forwarded to the Madras Government, who had no observations to make on it, nor had any communication been received regarding it from any other quarter. Under these circumstances,

the Select Committee were of opinion that the Bill might be passed as it had been published.

The Motion was put and agreed to.

The Hon'ble MR. GIBBS then moved that the Bill be passed.

The Motion was put and agreed to.

SUNDRY BILLS.

The Hon'ble MR. STOKES moved that the Hon'ble Mr. Colvin be added to the Select Committees on the following Bills:—

To define and amend the law relating to Promissory Notes, Bills of Exchange and Cheques.

To define and amend the law relating to the Transfer of Property.

The Motion was put and agreed to.

TRADE-MARKS BILL.

The Hon'ble MR. STOKES also moved that the Hon'ble Messrs. Colvin and Kennedy be added to the Select Committee on the Bill to provide for the registration of Trade-marks.

The Motion was put and agreed to.

BENGAL CESS ACT AMENDMENT BILL.

The Hon'ble MR. STOKES also moved for leave to introduce a Bill to amend Bengal Act No. IX of 1880 (the Cess Act, 1880). He said that when the Bill, which had since become Bengal Act No. IX of 1880 (the Cess Act, 1880), was submitted, for the first time, by the Government of Bengal for the assent of the Governor General, His Excellency, though approving of the policy of the Bill, was unable to give his assent, as he was advised that two of its sections were *ultra vires* of the Bengal Legislative Council. Section 65 of the Act was *ultra vires*, inasmuch as it extended to suits the parties to which were not landholder and tenant, the special procedure which the provincial legislature was, by section 4 of the Code of Civil Procedure, permitted to prescribe only in suits between landholder and tenant; and section 66 also appeared to be *ultra vires*, as it was inconsistent with the same Code, in enacting that a decree might be executed against a person who was neither a party or privy.

Though, however, feeling compelled for these reasons to withhold his assent from the Bill in its then form, His Excellency intimated to the Government of Bengal that he would be willing to give his assent to the measure if it

was re-enacted with the omission of the provisions to which exception had been taken, and further, that if the Lieutenant-Governor should think these provisions were indispensable, a Bill would be introduced into the Council of the Governor General incorporating them, and drawn so as to come in force simultáneously with the Bengal Bill when re-enacted.

In accordance with this intimation, the Government of Bengal re-submitted the Bill with the omission of the objectionable provisions, and His Excellency had given his assent to the measure as thus amended. But, as the Local Government had expressed at the same time a strong opinion that the omitted sections were essential to their scheme of legislation, the present Bill had been prepared in fulfilment of the promise made by His Excellency. It simply re-enacted the provisions to which exception had been taken, and incorporated them in the Bengal Act, by inserting them retrospectively in that enactment from the date on which it became law.

The Motion was put and agreed to.

SUNDRY BILLS.

The Hon'ble Mr. Stokes also moved that the Hon'ble Mr. Gibbs be added to the Select Committees on the following Bills:—

To provide for the grant of probates of wills and letters of administration to the estates of certain deceased persons.

To exempt Pársís from certain provisions of the Administrator General's Act, 1871.

The Motion was put and agreed to.

The Council adjourned to Thursday, the 30th December, 1880.

D. FITZPATRICK,
Secretary to the Government of India,
Legislative Department.

Calcutta;
The 23rd December, 1880.

C

Govt. Centrl. Press.—No. 2[illegible] L. D.—31-12-80.—250

Abstract of the Proceedings of the Council of the Governor General of India, assembled for the purpose of making Laws and Regulations under the provisions of the Act of Parliament 24 & 25 Vic., cap. 67.

The Council met at Government House on Thursday, the 30th December, 1880.

PRESENT:

The Hon'ble Whitley Stokes, C.S.I., C.I.E., Senior Ordinary Member of the Council of the Governor General, *presiding*.
His Honour the Lieutenant-Governor of Bengal, K.C.S.I.
His Excellency the Commander-in-Chief, G.C.B., G.C.S.I., C.I.E.
The Hon'ble J. Gibbs, C.S.I.
Lieutenant-General the Hon'ble Sir D. M. Stewart, G.C.B.
Major the Hon'ble E. Baring, R.A., C.S.I.
The Hon'ble B. W. Colvin.
The Hon'ble Mahárájá Jotíndra Mohan Tagore, C.S.I.
The Hon'ble C. Grant.
The Hon'ble G. C. Paul, C.I.E.
The Hon'ble H. J. Reynolds.

BURMA FOREST BILL.

The Hon'ble MR. GRANT, in the absence of the Hon'ble Mr. Aitchison, asked leave to postpone the introduction of the Bill to amend the law relating to forests, forest-produce, and the duty leviable on timber in British Burma.

Leave was granted.

MADRAS CORONER'S JURISDICTION BILL.

The Hon'ble MR. STOKES introduced the Bill to empower the Government of Madras to alter the local limits of the Coroner's Jurisdiction, and for other purposes, and moved that it be referred to a Select Committee consisting of the Hon'ble Messrs. Gibbs and Colvin and the Mover.

The Motion was put and agreed to.

The Hon'ble MR. STOKES also moved that the Bill be published in the *Fort St. George Gazette* in English and in such other languages as the Local Government might think fit.

The Motion was put and agreed to.

TÁJ MAHAL'S PENSION BILL.

The Hon'ble MR. COLVIN moved that the Report of the Select Committee on the Bill for the determination of claims to Táj Mahal's pension be taken into consideration.

The Motion was put and agreed to.

The Hon'ble MR. COLVIN also moved that the following section be added to the Bill :—

Arrears of pension accruing before capitalization to be invested.

"18. The said Secretary of State in Council shall, without unnecessary delay, invest, in securities of the Government of India, all arrears of such pension due at the time of the passing of this Act, and all such arrears falling due thereafter, and before the investment of the principal sum aforesaid. When any such arrears have been so invested, all further claim in respect thereof shall cease, and the persons obtaining a certificate in manner hereinbefore provided shall, in lieu of such arrears, be entitled to the securities in which they have been invested and the income resulting therefrom."

He said that the amendment which he moved had been rendered necessary by an accidental omission which had been made in the Bill as originally reported upon by the Select Committee. It had been the intention of the Committee that a principal sum equal to the proportionate amount of the loan due to Táj Mahal should be invested in Government securities, together with any interest which might be due on such principal sum. The Bill, as it stood, only provided for the investment of the interest payable hereafter on the securities so bought. But a considerable sum of money had already accrued due as interest to Táj Mahal's estate during the time that her pension had been in dispute, and it was possible that further sums of interest might accrue before the investment which the Bill directed could be made. The Committee had intended that these arrears should be invested along with the principal sum. It was obviously fair that this should be done, and the omission to provide for it was merely due to oversight. The object of adding section 18 into the Bill, as he proposed, was to remedy that oversight.

The only other remark which he had to make in addition to what he had said when he presented the report of the Select Committee, was with reference to the indemnity which the Government took to itself in respect of payments heretofore made. He might mention, for the information of the Council, that those payments amounted to rather more than a lákh of rupees, which, with one exception, had been, as far as he could learn, made to one only of the claimants. On the 18th August 1877 a lákh of rupees was paid on account of interest to the claimant referred to, and on the same day a sum of rupees five hundred was

paid to the guardian of the same claimant at Lucknow. Again, rupees eight hundred and ten were paid on account of arrears of subscription to the new Charity Fund at Lucknow on the 21st October 1877. This last payment appeared to have been made on account of subscriptions due from the late Táj Mahal, which he presumed must have been due at the time of her death. There was a further sum of rather more than a hundred rupees which had been disbursed on account of Telegraph charges. These payments, of which he had informed the Council, constituted the whole sum in respect of which the Government now proposed to take an indemnity.

The Motion was put and agreed to.

The Hon'ble MR. COLVIN then moved that the Bill as amended be passed.

The Motion was put and agreed to.

OBSTRUCTIONS IN FAIRWAYS BILL.

The Hon'ble MR. STOKES introduced the Bill to empower the Government to remove or destroy obstructions in fairways and to prevent the wilful creation of such obstructions, and moved that it be referred to a Select Committee consisting of the Hon'ble Messrs. Gibbs, Colvin and Kennedy and the Mover. He had only one remark to offer in addition to those which he made when moving for leave to introduce this Bill.

The Council would see that the Bill did not, as was usual with their general Acts, contain a clause declaring its local extent to be co-extensive with British India. In fact, the measure, if it became law, would operate, and was intended to operate, outside the limits of British India. But he believed this to be within the scope of their legislative powers. It was a recognised rule of international law that maritime States had, for certain limited purposes, power to make regulations with respect to the waters adjacent to their coast, even beyond the three-mile limit, fixed, according to most writers, with reference to the distance to which an old-fashioned cannon would carry. Thus in England, in 1736, the so-called Hovering Act (9 Geo. II, c. 35) was passed, prohibiting the transhipment of foreign goods within four leagues of the coast. The United States, as he learnt from Wheaton and Kent, had made similar provisions for the protection of their revenue, and it appeared from Sir A. Cockburn's decision in *The Queen* v. *Keyn* that France subjected all vessels to her customs laws to a distance of five leagues from shore. Such jurisdiction might be exercised not only for the protection of customs revenue, but also for the protection of fisheries, the exaction of harbour and light-house dues, the protection of territory from violation in time of war

between other States, and (according to Parliament and the late illustrious Chief Justice of England) also for the benefit of navigation.

It was true that the law-making power of this Council was a delegated power and should therefore be construed strictly. But, as he had said when the Transport of Salt Bill (now Act XVI of 1879) became law, "a statute is always construed as impliedly giving powers absolutely essential to the privilege granted;" and jurisdiction to legislate as the present Bill proposed to do, for the protection of ships entering our ports was a necessary incident to the general power of legislation expressly conferred upon the Governor General in Council for the benefit of British India.

The Motion was put and agreed to.

The Hon'ble MR. STOKES also moved that the Bill be published in the local official Gazettes in English and in such other languages as the Local Governments might think fit.

The Motion was put and agreed to.

PEGU AND SITTANG CANAL BILL.

The Hon'ble MR. GRANT, in the absence of the Hon'ble Mr. Aitchison, moved that the Report of the Select Committee on the Bill to regulate the navigation of the Pegu and Sittang Canal, and to provide for the execution of works necessary for its maintenance, be taken into consideration.

The Motion was put and agreed to.

The Hon'ble MR. GRANT also moved that the Bill as amended be passed. He said that the changes which the Select Committee thought it necessary to recommend in the Bill were sufficiently simple in character, and though one of them was not without considerable importance to the general public, there was nothing in them to make any material change in the frame of the Bill necessary. The Select Committee had, therefore, recommended that the Bill, as amended, might be passed, and the present motion gave effect to that recommendation.

The Motion was put and agreed to.

BENGAL CESS ACT AMENDMENT BILL.

The Hon'ble MR. STOKES introduced the Bill to amend Bengal Act No. IX of 1880 (The Cess Act, 1880), and moved that it be referred to a Select Committee consisting of the Hon'ble Messrs. Colvin and Reynolds and the Mover.

The Motion was put and agreed to.

The Hon'ble MR. STOKES also moved that the Bill be published in the *Calcutta Gazette* in English and in such other languages as the Local Government might think fit.

The Motion was put and agreed to.

INDIAN GOVERNMENT SECURITIES BILL.

The Hon'ble MR. STOKES also moved that the Hon'ble Major Baring be added to the Select Committee on the Bill to provide for certain matters relating to securities of the Government of India.

The Motion was put and agreed to.

The Council adjourned to Thursday, the 6th January, 1881.

D. FITZPATRICK,
Secretary to the Government of India,
Legislative Department.

CALCUTTA;
The 30th December, 1880.

Government Central Press.—No. 319 L. D.—5-1-81.—250.